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International Finance

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the National Advisory Council on International Monetary and Financial Policies
Annual Report to the President and to the Congress for Fiscal Year 1985

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International Finance

the National Advisory Council
on International Monetary and Financial Policies

Annual Report

to the President
and to the Congress
for Fiscal Year 1985

THE SECRETARY OF THE TREASURY
WASHINGTON

April 29, 1986

Dear Mr. Speaker:

As Chairman of the National Advisory Council on International Monetary and Financial Policies, I transmit herewith the Annual Report of the Council for fiscal year 1985.

This report includes, in accordance with the Bretton Woods Agreements Act, as amended, and other legislation, an account of United States participation in the International Monetary Fund and the multilateral development banks, together with related data and material concerning the operations and policies of the Fund and the banks.

Copies of the report are also being submitted to the President and to the President of the Senate.

Sincerely,

Jim

James A. Baker, III
Chairman, National Advisory Council
on International Monetary and
Financial Policies

The Honorable Thomas P. O'Neill, Jr.
Speaker of the House
of Representatives
Washington, D. C. 20515

Enclosure

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I. THE ECONOMIC SETTING

GROWTH AND INFLATION

The industrial countries recorded another year of solid real GNP growth with lower inflation in calendar year 1985. The average growth rate for the year was somewhat lower than in 1984, as U.S. and Japanese real growth rates slowed while the European average remained at moderate levels. Growth in non-OPEC developing countries slowed somewhat from the fairly good 1984 pace. But several important developing countries experienced severe inflation problems during the year.

The estimated rise in industrial country (OECD) real output for CY 1985 was 2.7 percent, considerably lower (but more sustainable) than the 4.6 percent recorded in 1984. The principal change between the two years was a fall in U.S. growth from a very strong 6.6 percent to 2.3 percent.

Japan's growth was also lower (but still over 4 percent). European growth remained about the same as in CY 1984, at an estimated 2.3 percent for the calendar year. With the long strike of the coal miners over early in the year, U.K. growth recovered sharply, and Germany had a very strong second half. Unemployment rates fell during the year in the United States and Canada, rose slightly in Italy, Japan, and the U.K., and were little changed in France and Germany.

Growth rates in the major industrial countries converged in 1985, with lower growth in the countries with the highest 1984 rates (United States, Japan and Canada) and about the same average growth in Europe – though with Germany strengthening in the second half.

Non-OPEC developing countries were estimated to have grown about an aggregate 3½ percent in real terms in CY 1985, somewhat lower than the 4 percent recorded in 1984. This modest slowdown was related to slower growth in their export volumes (in parallel with slower OECD country growth) after strong export gains in 1984. Growth slowed significantly in the usually very strong Asian developing countries that are major exporters to the industrial world. Output actually fell in Argentina and the Philippines, both of which experienced financial strains during the year.

The decline in industrial country inflation continued in CY 1985, falling to an estimated 4.7 percent annual average rate – the lowest since 1972. The average rate of price increase for the seven largest (economic summit) countries was 4.1 percent, their lowest since 1968. The most striking improvement took place in France, which brought its rate down below 5 percent by the end of 1985. Italy's inflation, although still the highest in the summit group, fell below double digits for the first time in well over a decade. Japan and Germany had the lowest rates: 1.8 percent in the year to December 1985. Among the smaller industrial countries, those with the highest inflation in 1985 were Iceland, Turkey, Greece, and New Zealand; Switzerland, Austria, and the Netherlands had the lowest rates of price increase.

Among the non-OPEC developing countries, a few major countries (Argentina, Brazil, Israel and Peru) experienced extremely high (150 percent or more) inflation in 1985. Excluding these high inflation countries, the GNP-weighted average increase in consumer prices was about 20 percent in the non-OPEC developing countries, the same as in 1984.

WORLD BALANCE OF PAYMENTS DEVELOPMENTS

U.S. trade and current account deficits continued to rise to new records in CY 1985 while non-OPEC developing countries' current account deficits were roughly stable in the year. The U.S. trade deficit of about $125 billion (balance of payments basis) was about $10 billion above the 1984 result, even though import costs were restrained by slower domestic growth and lower oil prices. The U.S. current account deficit was estimated at also roughly $125 billion.

Other OECD countries experienced a rise of about $20 billion in their aggregate current account surplus, with Japan's surplus of $49 billion, a new record. Over the past several years by far the greater part of the deterioration in the U.S. current account (owing to relatively stronger U.S. growth, the rise of the dollar up to February 1985, and serious financing constraints for key developing country trading partners) had been paralleled by the aggregate improvement in the current account balance of the other OECD countries. The slowing of the deterioration in the U.S. current account in 1985 carried with it a smaller growth stimulus to foreign countries exporting to the United States.

The aggregate current account deficit of the non-OPEC developing countries is estimated to have remained roughly unchanged at about $15 billion in CY 1985 (as compared to $75 billion in the peak year 1981). In a number of developing countries slower growth in export volumes and severe financing constraints restricted growth in imports, while considerably lower interest rates eased the burden of debt service in 1985.

Reductions in net new bank lending to these countries, to very low levels, made official financing flows of various kinds their principal source of financing. These official flows included industrial country grants, loans and trade credits, multilateral development bank lending, and a small amount of OPEC and Eastern European credits. The countries most affected by the slow growth of net new bank lending were primarily the medium income countries in Latin America. The poorest of the less developed countries, expecially in Africa, relied primarily on official development assistance, which remained little changed since the 1982 debt crisis, and were not as affected by sharply reduced commercial bank lending.

Lower oil prices contributed to serious problems in some OPEC countries in CY 1985. OPEC countries sharply reduced imports as their export revenues fell, thereby limiting the deterioration in their current account balances.

OPEC nations continued to draw down their foreign assets worldwide to finance their deficits on current account. Reduction of securities holdings was the dominant feature. OPEC holdings in the U.S. market declined by $2¼ billion during fiscal year 1985, including a $1¼ billion decline in OPEC's holdings of U.S. Treasury securities. Nevertheless, for much of the period OPEC was a net supplier of funds to banks in major banking centers. During the fiscal year, OPEC placed nearly $2 billion with banks located in the United States.

WORLD OIL MARKET

Oil markets continued weak through most of fiscal year 1985. OPEC made several efforts to stabilize prices, but its market share and power over prices continued to erode. By year-end, most oil traded at market-related prices, and the average dollar price had dropped some 6 percent below year-earlier levels. Even Saudi Arabia abandoned trying to price at "official" levels.

Free world oil consumption averaged about 45.6 million barrels per day (mmb/d) – down one-half percent from FY 1984. Although consumption in the oil exporting developing countries rose moderately, industrial country (OECD) consumption declined by some 700,000 b/d or 2 percent. Conservation gains and new supplies of natural gas and nuclear power continued to displace oil in industrial uses, particularly in Europe where the strong dollar increased the national currency cost of imported oil.

As in FY 1984, free world crude oil and natural gas liquids production capacity increased in the non-OPEC countries, such as Norway, Brazil, India, and Egypt. Total non-OPEC supplies increased by 1.0 mmb/d to 26.4 mmb/d. In addition, world commercial oil stocks were drawn down at a rate averaging approximately 800,000 b/d. OPEC's share of the world market shrank to only about 37 percent compared to nearly 60 percent in the late 1970s. Its FY 1985 crude oil output averaged only 15.7 mmb/d (excluding 1.3 mmb/d of natural gas liquids) – down 2.0 mmb/d from FY 1984.

By the end of FY 1985, the average price of internationally traded crude had declined to about $26.50/bbl. $1.75 below the year before. During the year, OPEC reduced its official prices by about $1/bbl for light crudes and by as much as $2/bbl for some very light crudes. Spot crude prices for the best crudes dipped to only about $26/bbl, and very little crude could be sold at official price levels.

COMMODITY PRICES

During FY 1985, world commodity prices (denominated in dollars) declined by 12 percent to

TABLE 1.–*Estimated Disposition of OPEC Investible Surplus 1974–1985*

[Billions of dollars]

	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	First Half 1985[p]	Cum: 1974–1985HI
United States	11.6	7.9	11.1	7.4	.4	7.0	15.0	14.7	10.3	-9.4	-2.7	-2.3	71.0
Treasury securities:													
Bills	5.3	.5	-1.0	-.9	-.9	3.3	1.4	-0.5	0.4	-1.1	2.8	-0.6	8.7
Bonds and notes	.2	2.0	4.3	4.3	-1.5	-1.2	8.2	10.9	6.9	-5.5	-6.3	1.0	23.3
Other U.S. bonds	.9	1.6	1.2	1.7	.8	.4	3.5	3.5	-0.8	-1.2	-1.0	-1.4	9.2
U.S. stocks	.2	1.7	1.8	1.4	.8	.7	1.2	1.2	0.4	-0.8	-2.0	0.1	6.7
Bank liabilities	4.2	.6	1.9	.4	.8	5.1	-1.2	-2.1	4.7	0.8	3.5	-0.9	17.8
Subtotal	10.8	6.3	8.1	7.0	0.0	8.4	13.1	12.9	11.6	-7.8	-3.0	-1.8	65.6
Other[1]	.7	1.7	3.0	.4	.5	-1.3	1.9	1.8	-1.3	-1.7	.4	-0.5	5.6
Eurobanking market	22½	8	11	12	2½	29	34¾	2¾	-25½	-14½	½	1¾	84¾
United Kingdom[2]	7½	¼	-1	¾	¼	2½	3½	1	½	*	*	¼	15¼
Other developed & non-market countries	6½	9¾	9¼	9¼	5¾	8¼	28¾	21¾	3¾	1	-3½	-2	98¾
Less-developed[3][2]	6	7¼	7½	8½	6½	8½	10¼	12¾	7½	3½	4½	1¼	84
IFIs, SDRS, Gold[4]	3¾	4¼	1¼	½	-½	-½	4½	4	2½	4¾	-½	½	24¼
Total Allocated	57¾	37½	39	38½	15	54¾	96¾	57	-1	-14¾	-1¾	-½	378
Current account	72¼	36¾	39	31½	-1	63	118	54	-1	-19	-7	-5½	381
Lag in receipt of oil revenues	-11¼	-¼	-7½	2½	-1½	-4½	2½	1	¾	*	1½	2	-14¾
Net borrowings	½	3¾	7¾	9¾	18¾	8¼	4	4¼	7¼	9½	¼	*	73¾
Investible surplus	61½	40¼	39¼	43¾	16¼	66¾	124½	59¼	7	-9½	-5¼	-3½	440
Discrepancy[5]	3¾	2¾	¼	5¼	1¼	12	27¾	2¼	8	5	-3½	-3	62

[p] – Preliminary.

* Less than (±) $125 million. Detail may not add to totals due to rounding.

[1] Direct investment, prepayment for U.S. exports, placements in nonbanks.

[2] Excludes foreign currency deposits which are included in Eurobanking market.

[3] Includes grants. (Current account excludes grants.)

[4] Placements in the World Bank, other multilateral developments banks and the IMF; net purchases of gold.

[5] Cash surplus less allocated surplus.

Source: Treasury Department.

an October 1985 level 30 percent below the 1980 average. Among major commodity groups, prices for agricultural raw materials – led by cotton, rubber, and hides – declined the most, 16 percent, while metals prices went down nearly 9 percent. Food commodities and beverage materials were down about in line with the average.

Industrial Raw Materials

Prices (in dollar terms) for most industrial raw materials weakened during the year reflecting stagnant or declining demand and continued strong output with resultant accumulation of inventories. For example, lead prices declined 20 percent from October 1984 to October 1985, zinc went down 15 percent, aluminum was 5 percent lower, and nickel dropped 2.5 percent. Copper prices, meanwhile, were about 5 percent higher at the end of FY 1985 than at the end of FY 1984, though they were lower than the peak reached in the spring. Rubber prices went down nearly 15 percent over the year and cotton prices fell 30 percent. Towards the end of the fiscal year, however, there were signs of improvement in some stock levels, principally copper, aluminum, nickel, and zinc. Technological changes and reduced intensity of use together with the availability of lower cost supplies are believed to be the driving forces behind long-run structural changes in the markets for raw materials.

Food and Beverages

Edible oil product prices declined the most among the major food categories – they went down more than 25 percent. Cereal prices also dropped sharply as surging world production became mismatched with declining import demand. In the beverage category, the tea bubble burst and its prices were cut by half. Coffee prices declined from \$1.40 to \$1.20 between the beginning and end of FY 1985. Later in 1985, coffee prices exploded to about \$2.00 a pound in response to news of a severe drought in Brazil.

U.S. BALANCE OF PAYMENTS

The merchandise trade deficit of the United States in fiscal year 1985 was \$116.1 billion – a \$10.9 billion increase from the fiscal 1984 deficit of \$105.1 billion.

The balance on nonagricultural exports and nonoil imports worsened by \$10.6 billion, from an \$86.6 billion deficit in fiscal 1984 to \$97.2 billion in fiscal 1985. Nonagricultural exports increased \$7.4 billion or 4.2 percent, reflecting increases of 2.7 percent in volume and 1.5 percent in average price. Nonoil imports rose by \$18.0 billion or 6.8 percent, reflecting an increase of 8.0 percent in volume with a 1.1 percent decline in average price.

On other trade, agricultural exports fell \$7.1 billion or 18.4 percent, reflecting drops of 9.4 percent in volume and 10.0 percent in average price. Oil imports declined \$6.8 billion or 11.9 percent from the previous fiscal year, reflecting reductions of 7.8 percent in volume and 4.3 percent in average import price.

The U.S. current account balance for fiscal year 1985 was in deficit by \$114.4 billion, a deterioration of \$19.6 billion from the fiscal 1984 deficit of \$94.8 billion. The surplus on net invisibles fell by \$8.7 billion, from \$10.3 to \$1.7 billion, reflecting a \$1.5 billion decline in net investment income, a \$3.0 billion larger deficit on other services (mainly travel and transportation), and a \$4.2 billion rise in unilateral transfers (mainly government grants).

On capital account, the net inflow on known private and official capital transactions increased from \$74.2 billion in fiscal year 1984 to \$79.7 billion in fiscal 1985. Its major features were a \$35.8 billion increase (from \$16.8 billion the previous year to \$52.6 billion) in the net inflow on total securities transactions; a \$38.4 billion decline in the net inflow on other known private capital transactions; and an \$8.1 billion shift (from a \$6.0 billion net outflow previously to a \$2.1 billion net inflow) on U.S. and foreign reserve asset transactions and U.S. Government lending, combined.

The positive statistical discrepancy (which presumably reflects mainly unrecorded capital flows) increased to \$34.8 billion, from \$20.6 billion in the previous year.

FOREIGN EXCHANGE MARKET

Over the course of fiscal year 1985 the dollar fluctuated fairly widely, initially rising to its highest levels against most major foreign currencies since the beginning of generalized floating exchange rates (March 1973) and subsequently declining to close the period substantially lower. For the year, the dollar depreciated by about 12 percent against major European currencies and the yen; there was little change against the Canadian dollar. The U.S. authorities intervened in the market periodically, purchasing a total of \$1,162 million equivalent of foreign currencies: German

TABLE 2.–*U.S. current account transactions, October 1984–September 1985*

[Seasonally adjusted; in billions of dollars]

	Fiscal 1984 (quarterly rates)[1]	Fiscal 1985[2]			
		Oct.–Dec. 1984	Jan.–Mar. 1985	Apr.–June 1985	July–Sept. 1985
Exports	54.2	56.2	55.3	53.6	52.3
Agricultural	9.7	9.7	8.2	7.1	6.5
Nonagricultural	44.5	46.5	47.1	46.5	45.8
Imports	–80.5	–87.1	–78.8	–82.2	–85.5
Petroleum and products	–14.3	–14.5	–10.5	–13.1	–12.6
Nonpetroleum	–66.2	–72.7	–68.3	–69.1	–72.9
Trade balance	–26.3	–30.9	–23.5	–28.6	–33.1
Net Investment Income	5.2	4.0	2.5	5.4	7.5
Other Services, net	–.0	–.8	–.2	–1.1	–.9
Unilateral transfers	–2.6	–4.1	–3.2	–3.4	–4.0
Net invisibles	2.6	–.9	–.8	.9	2.7
Balance on current account	–23.7	–31.8	–24.2	–27.7	–30.5

[1] Average of seasonally-unadjusted quarters.

[2] Due to seasonal adjustment on a calendar-year basis, quarterly data will not add precisely to fiscal year totals.

Source: Survey of Current Business, June and December 1985, published by U.S. Department of Commerce, Bureau of Economic Analysis.

marks ($873 million), Japanese yen ($273 million), and U.K. sterling ($16 million). These purchases were split evenly between the Treasury, through the Exchange Stabilization Fund (ESF), and the Federal Reserve System.

The dollar appreciated during October 1984-January 1985 as the market appeared to be influenced by perceptions that U.S. economic growth would be sustained at a moderate rate with reasonable price stability, while economic performance in most major foreign countries would continue to lag that of the United States. Declining U.S. interest rates–the Federal Reserve cut the discount rate by ½ point in November and again in December to 8 percent–did not appear to deter demand for dollars. The strength of the U.S. bond market reflected strong foreign demand. In January the outlook for the U.S. economy appeared to be improving, and the dollar appreciated strongly, reaching record highs against U.K. sterling and some other European currencies and its highest German mark level since the advent of generalized floating rates in March 1973.

During the first three months of the fiscal year the U.S. authorities intervened in the exchange market on one occasion, in October 1984, purchasing $95 million equivalent of DM. This activity followed a period during September when the U.S. authorities purchased a total of $185 million equivalent of DM in intervention coordinated with major foreign authorities. In January 1985, the United States reentered the market in coordinated operations following a meeting on January 17 of the Group of Five Finance Ministers and Central Bank Governors (France, Germany, Japan, the United Kingdom, and the United States). In their announcement, the G-5 officials expressed their commitment to work toward greater exchange market stability by promoting a convergence of economic performance, removing structural rigidities in their economies, and reaffirming their commitment, made at the Williamsburg Summit, to undertake coordinated intervention as necessary. During January 22-March 1, the U.S. authorities entered the market in operations coordinated with other G-5 countries to purchase $659 million equivalent of foreign currencies, comprising DM ($594 million), yen ($49 million) and sterling ($16 million). At mid-March the dollar was declining as the market appeared to be reacting to revised expectations about U.S. growth prospects and to concerns about signs of strain in certain U.S. financial institutions and the implications for monetary policy. Late in April the dollar firmed and was relatively steady through the end of June. U.S. interest rates, which had firmed somewhat earlier in the year, resumed declining in March, and in May the Federal Reserve lowered its discount rate by a further half-point to 7.5 percent. Among the major foreign currencies, only sterling showed strength against the dollar during this period.

In July, the dollar resumed its decline, and the German mark appreciated quite sharply for a time following a devaluation of the Italian lira within

TABLE 3.–*Financing of U.S. current account balances, October 1984–September 1985*[1]

[Inflows (+) and outflows (-); in billions of dollars]

	Fiscal 1984 (quarterly averages)	Fiscal 1985			
		Oct.–Dec. 1984	Jan.–Mar. 1985	Apr.–June 1985	July–Sept 1985
Current account balance[1]	-23.7	-29.0	-23.4	-27.9	-34.1
U.S. reserve assets (Increase (-))	-.7	-1.1	-.2	-.4	-.1
Other U.S. Government assets[1]	-1.6	-.6	-.9	-.8	-.5
Foreign official assets	.8	7.1	-11.2	8.5	2.4
Industrial countries	.9	2.7	-6.3	6.8	2.8
OPEC members	-1.6	.8	-2.0	-1.8	-2.0
Other countries	1.5	3.6	-2.8	3.4	1.6
U.S. banks, net	8.8	-.5	13.5	4.3	5.0
Claims	-3.3	-4.9	.1	4.1	-1.4
Liabilities[2]	12.1	4.5	13.3	.2	6.5
Securities, net	4.2	15.2	9.6	10.0	17.7
Foreign securities	-.6	-3.7	-2.5	-2.2	-1.8
U.S. securities[2]	4.8	18.9	12.1	12.2	19.5
Direct investment, net	4.6	.7	2.8	1.4	-.5
U.S. investment abroad[1]	-.2	-4.0	.7	-5.3	-6.1
Foreign investment in United States[1]	4.9	4.7	2.1	6.7	5.6
Other U.S. corporate capital, net	2.4	-.9	-1.5	.5	N.A.
Claims	.5	1.0	1.2	1.9	N.A.
Liabilities	1.9	-1.9	-2.7	-1.3	N.A.
Statistical discrepancy[1]	5.2	9.0	11.3	4.4	10.0

N.A. Not available.

[1] All data are seasonally unadjusted, because capital flows except U.S. Government lending and the reinvested earnings component of direct investment flows are not available on a seasonally adjusted basis.

[2] Excluding foreign official assets.

Source: Survey of Current Business, June and December 1985, published by U.S. Department of Commerce, Bureau of Economic Analysis.

the European Monetary System. While perceptions of slower U.S. economic growth and stronger performance in major foreign countries became more widespread, the dollar moved irregularly through mid-September.

On September 22, the G-5 Ministers and Governors issued an announcement which drew attention to the changes already occurring in fundamental economic conditions, expressed their view that exchange rates did not fully reflect these underlying conditions, and affirmed their intentions to implement policies to sustain and accelerate progress in achieving favorable convergence of balance, non-inflationary growth. Each of the countries issued a specific statement of policy intentions. They agreed that exchange rates should play a role in adjusting external imbalances and that some further orderly appreciation of the main non-dollar currencies would be desirable. They agreed that they would cooperate more closely to encourage this objective when to do so would be helpful.

The main foreign currencies strengthened sharply against the dollar in response to the announcement, and the G-5 authorities subsequently intervened on occasion in the market to resist upward movement of the dollar as pressures occurred. For their part, the U.S. authorities purchased the combined equivalent of $408 million, comprised of yen ($224 million) and DM ($184 million), during September 23-30.

Also during the fiscal year, the Treasury, through the ESF, entered into two swap agreements with Argentina and one with the Philippines to provide short-term financing in support of economic adjustment programs agreed with the International Monetary Fund (IMF).

In October 1984, the Treasury joined the Bank of Japan and the Bank of Korea in short-term financing arrangements for the Philippines totaling $80 million. The financing–$45 million from the Treasury, $30 million by Japan, and $5 million by Korea–was made available when the Managing Director of the International Monetary Fund confirmed that the IMF had received assurances of the availability of adequate financing in support of the Philippine economic adjustment program and that a new standby arrangement was being formally submitted to the IMF Executive Board. The financing was repaid in December after the Philippines drew on the standby arrangement with the IMF.

In December 1984, the Treasury entered into a $500 million short-term financing arrangement with Argentina. The financing was made available when the Managing Director of the IMF confirmed that he had received assurances that adequate financing would be available in support of the Argentine economic program and that a standby arrangement and a request for a purchase under the IMF's Compensatory Financing Facility (CFF) were being formally submitted to the IMF Executive Board. The financing was repaid in January 1985 after Argentina drew under its standby arrangement and under the CFF.

In June 1985, in light of Argentina's new economic program agreed with the management of the IMF, the Treasury entered into an arrangement to participate with the monetary authorities of eleven other countries to provide short-term financing to Argentina totaling $483 million. As its part, the Treasury entered into an agreement with Argentina to provide $150 million. A total of $460 million, including $143 million from the Treasury, was ultimately made available to Argentina. The financing was repaid as scheduled in two installments in August and September, coinciding with Argentine drawings from the IMF.

LDC INDEBTEDNESS—RECENT TRENDS AND POLICIES FOR THE FUTURE

The current debt crisis began in August 1982 when Mexico announced that it was unable to meet its external debt payments. Numerous factors engendered this debt servicing problem and affected other major debtor countries, in addition to Mexico. Although substantial progress has been made in reducing the debtor nations' current account imbalances, less progress has been made in reducing domestic imbalances and establishing a solid foundation for future growth. Bank lending has also been declining, with very little net new lending in 1985. In some cases this has made it more difficult for debtor nations to pursue economic reforms.

To address these problems and improve the prospects for future growth, Treasury Secretary Baker proposed a "Program for Sustained Growth" at the annual meeting of the International Monetary Fund (IMF) and World Bank in Seoul, Korea, in October 1985.

Origins

The external debt of the developing countries increased rapidly during the late seventies and early eighties. From a debt level of $334 billion in 1977, total debt outstanding reached $830 billion at year-end 1984 as the major debtors sought credits to finance ongoing current account deficits and rapid rates of economic growth in the face of declining domestic savings.

These current account deficits were symptomatic of the major debtors' indulgence in overly expansionary fiscal and monetary policies and maintenance of unrealistic real exchange rates, prices, and interest rates. The fiscal deficits generated inflationary pressures, and overvalued exchange rates encouraged imports and discouraged exports. In addition, the expectation that these exchange rates would eventually fall stimulated capital flight, thus adding to an already excessive demand for foreign exchange. Price and interest rate distortions in borrowing countries, coupled with inflationary pressures, diluted incentives for saving and an efficient allocation of resources.

Instead of adjusting these policies in response to balance of payments difficulties arising from higher oil prices during the 1970s, the debtor countries sought and received external financing at negative real interest rates during much of the late seventies. Even when real interest rates swung positive in the early eighties, borrowing continued. Bank financing was readily available as the international banks sought outlets for their lendable funds in the developing countries as a cyclical economic contraction reduced demand for bank loans in the industrial countries. By 1982, however, the industrial countries' recession had deepened, the terms-of-trade had moved against many of the developing countries, and international interest rates increased sharply. The decline in bank lending and rising interest rates compounded the debt service burden of the debtor countries. The debt service burden grew to almost $125 billion in 1982, comprising over $70 billion in interest, compared to only $40 billion in 1977, including $15 billion in interest.

TABLE 4.—*Debtor Countries. Selected Debt and Balance of Payments Statistics*

[Billions of dollars]

	1977	1980	1981	1982	1983	1984	1985[P]
Total Debt							
All Debtors	334	567	662	749	797	830	865
Of which, Market Borrowers [1]	221	386	464	533	564	581	597
Debt Service							
All Debtors	39	88	111	122	111	129	141
Of which, Market Borrowers [1]	29	68	87	97	85	99	106
Memorandum							
Interest Payments							
All Debtors	15	45	62	71	67	75	76
Of which, Market Borrowers [1]	11	35	50	58	54	60	60
Exports							
All Debtors	210	402	413	385	390	433	429
Of which, Market Borrowers [1]	149	301	306	282	289	322	319
Imports							
All Debtors	231	445	478	434	403	418	418
Of which, Market Borrowers [1]	152	292	321	291	261	267	261
Current Account Deficit							
All Debtors	37	77	113	104	60	38	44
Of which, Market Borrowers [1]	20	37	73	75	29	7	4

[P] Projection.

[1] The "market borrowers" countries total 34 and are defined as those countries which obtained at least two thirds of their external borrowings from 1978 to 1982 from commercial creditors. This list includes such major borrowers as Argentina, Brazil, Indonesia, Korea, Mexico, Philippines, and Venezuela. Of these seven, only Korea is excluded from the list of 15 debtors designated in Secretary Baker's program for sustained growth in the debtor countries.

Source: IMF, *WORLD ECONOMIC OUTLOOK*, October 1985.

Debt Strategy

In attempting to deal with this crisis, the United States and other summit countries (Canada, France, Germany, Italy, Japan, and the U.K.) developed a flexible case-by-case debt strategy, implementation of which would help restore the creditworthiness of the indebted problem countries. Each country's specific debt problem would be treated separately, with emphasis placed on inducing necessary domestic adjustment that would, with the return of industrial country expansion and lower interest rates, spur growth and improve its debt service capacity. Interim financing, such as bridge loans and concerted lending packages, would be provided to assist this adjustment process when necessary.

Affirmed at the Williamsburg, London, and Bonn Summits, the debt strategy had five elements:

- economic adjustment by the debtor countries;
- economic recovery and sustained growth with open markets in the industrialized countries;
- adequate resources for the international financial institutions;
- continued commercial bank lending to countries making concerted adjustment efforts; and
- case-by-case bridge financing by central banks and governments.

Within the framework of this five-point strategy, the governments at the 1984 London summit encouraged the commercial banks to reschedule principal falling due over several years for countries implementing appropriate adjustment policies. Moreover, the governments agreed to consider, where appropriate, rescheduling of multi-year debt service obligations on official credits owed by the indebted countries.

Progress, 1982-84

In the three years since the inception of the debt crisis, the indebted developing countries have made considerable progress in correcting distortions in their economies, and in rebuilding their creditworthiness. They have managed to reduce their current account deficit sharply over the period, thereby having to rely less on external financing. For indebted countries obtaining most of their borrowings from commercial banks, the aggregate current account deficit declined from $75 billion in 1982 to $7 billion in 1984; it was expected to fall further to $4 billion in 1985.

This impressive performance was generated, in part, through stringent internal adjustments, a strong recovery in the United States and improved growth in other OECD countries, and declines in nominal interest rates, especially in the United States and on dollar denominated loans in markets outside the United States. Predominately through internal demand and exchange rate adjustments, the major borrowers were able to expand their exports by 2 percent in 1983 and by 11 percent in 1984. Imports grew 3 percent in 1984, a sharp change from the contraction of 11 percent in 1983. In 1985, both exports and imports were below their 1984 levels.

The six-month interbank offer rate (LIBOR) on Eurodollars, to which many of the international bank credits are tied, fell about five percentage points from 1982 through 1985. With these declines, coupled with generally falling spreads on restructured bank loans, interest payments have somewhat ameliorated, even though the external debt has grown since 1982. Interest payments due from countries heavily in debt to banks were $58 billion in 1982, fell to $54 billion in 1983, but rose to $60 billion in 1984. These scheduled interest payments were projected to remain level in 1985.

The uncertainty surrounding the borrowers' ability to meet their debt service commitments has been reduced by a series of restructurings of debt owed to commercial banks and foreign official agencies. Between the end of 1982 and September 1985, there were over 40 bank restructuring agreements involving nearly $150 billion in medium- and long-term debt rescheduled at generally lower spreads, over $100 billion in short-term debt either rolled over or converted into medium-term debt, and over $30 billion of new, concerted lending. Reschedulings in progress involved over $50 billion. Noteworthy in 1984 were four multi-year rescheduling agreements (MYRAs) with commercial banks, the first since the debt crisis began. These MYRAs, involving Ecuador, Mexico, Poland, and Venezuela and totaling over $75 billion, were negotiated for the debtor countries which had progressed significantly in their internal and external adjustment efforts. Since MYRAs cover several years, they provide a clearer planning horizon for both the debtors and creditors. Two of the 1985 commercial bank restructuring agreements were MYRAs.

Official creditors rescheduled $28 billion involving thirty countries from 1983 through the first half of 1985. Unlike the bank reschedulings, these rescheduled amounts included interest as well as principal due. There was one official creditor MYRA in 1985, with Ecuador, the first and only as of the end of 1985. (See section below for details on official debt reschedulings in FY 1985.)

Strengthening The Debt Strategy

In spite of the progress made, problems remained, including the failure of some countries to implement appropriate macroeconomic adjustment, continued high inflation, capital flight, and a sharp decline in bank lending to the debtor countries. In an effort to address these problems and to improve growth prospects, Secretary Baker proposed at the October 1985 IMF and World Bank annual meetings a three-point debt initiative to strengthen the current debt strategy. The proposed "Program for Sustained Growth" included the following mutually reinforcing elements:

- First and foremost, the adoption by principal debtor countries of comprehensive macroeconomic and structural policies, supported by the international financial institutions, to promote growth and balance of payments adjustments, and to reduce inflation.
- Second, a continued central role for the IMF, in conjunction with increased and more effective structural adjustment lending by the multilateral development banks (MDBs), both in support of the adoption by principal debtors of market-oriented policies for growth.
- Third, increased lending by the private banks in support of comprehensive economic adjustment programs.

The proposal realistically recognizes that growth can be stimulated in the debtor countries through their adoption of comprehensive macroeconomic and structural policies to correct external and internal imbalances. These imbalances discourage domestic savings and foreign investment and encourage capital flight. The proposal emphasizes the importance of greater reliance on the private sector, a mobilization of domestic savings and investment, and increased foreign direct investment. Within this framework, capital flight should be reversed; interest rates, wages, and prices should be market-determined; inflation and budget deficits reduced; and the countries' private sectors encouraged to expand employment, production and efficiency. This process of growth and adjustment would be reinforced by increased financial support by the multilateral development banks and commercial banks. (See also discussion of IMF Trust Fund in Chapter II.)

Under this initiative, the disbursements of the World Bank and Inter-American Development Bank (IDB) would increase by 50 percent from $6 billion to $9 billion annually, for a total of $27 billion over three years. This would be equivalent to approximately $20 billion in net new lending by the MDBs, after repayments. Moreover, the United States would be prepared to consider participating in a general capital increase for the World Bank, provided such an increase is needed to support an increased demand for quality World Bank lending, the debtor countries implement growth-oriented reforms, and commercial banks increase lending as envisaged in the U.S. proposal. Finally, the United States has encouraged the IDB to strengthen its lending policies as a basis for introducing targeted non-project lending programs.

The initiative calls for an estimated $20 billion increase in commercial bank lending over three years to heavily indebted countries, equivalent to an increase in bank exposure of two and one-half to three percent annually. In addition, the banks would be encouraged to continue lending to countries which are currently receiving adequate spontaneous financing, provided they maintain adequate adjustment policies.

Other sources of private financing such as direct and portfolio equity investment and repatriation of flight capital would be encouraged. Especially important would be foreign direct investment which would stimulate growth and needed technological transfer.

II. INTERNATIONAL MONETARY AFFAIRS

ROLE OF THE INTERNATIONAL MONETARY FUND (IMF)

The continued improvement in the world economy and successful adjustment efforts by major less developed country (LDC) debtors resulted in a sharp reduction in current account deficits and stronger reserve positions in many IMF member countries over the past few years. Consequently, there was a marked decline in the net use of IMF resources during the period and a strengthening of the Fund's financial position. In these circumstances, it was decided to continue the gradual phasing out of the IMF's policy of enlarged access. Special measures were also introduced to deal with the emerging problem of arrears on IMF obligations by a number of members and consideration given to use of IMF Trust Fund reflows to help the poorest countries with protracted balance of payments problems.

Developments in the international monetary system, particularly large swings in exchange rates among the major industrial countries, have resulted in increased interest in possible improvements in the functioning of the system. During the fiscal year, reports on the international monetary system by the Group of Ten (G-10) major industrial countries and the Group of 24 (G-24) developing countries were completed and given preliminary consideration by the IMF Interim Committee. In addition, the IMF Executive Board considered a number of steps to strengthen IMF surveillance activities and to improve coordination with the World Bank. Finally, the Group of Five major industrial countries announced on September 22, 1985, a series of measures to encourage better balance in the world economy and exchange rates that more fully reflected underlying economic fundamentals.

THE IMF AND THE LDC DEBT STRATEGY

In recent years, the IMF has played a central role in the agreed international strategy for dealing with LDC debt problems. The provision of IMF resources has enabled LDC debtor countries to implement necessary adjustment programs to reduce external imbalances and restore creditworthiness. The "seal of approval" afforded by IMF support for LDC adjustment efforts has served as a catalyst for private and official financing, which exceed the amount of resources provided by the IMF. The Fund has also served as the coordinator in developing the financing packages that provide the "critical mass" of resources necessary to assure the viability of the adjustment effort.

The IMF provides financing to allow countries breathing space to adjust their economies without resort to measures, such as restrictions on trade and payments, that would ultimately lower growth in both the countries that impose them and in the world economy. The requirement that IMF resources be provided in support of economic adjustment in borrowing countries is supportive of, not contrary to, efforts to maximize non-inflationary growth.

Most countries coming to the Fund for assistance have allowed their balance of payments to deteriorate to such an extent that sources of external finance have been withdrawn. In the absence of sufficient external financing, a country typically must slash imports to match the reduced level of foreign financing. This type of economic adjustment is inevitably disruptive and inefficient, particularly as countries need foreign exchange for a wide variety of transactions and import goods and services for many purposes. It creates restrictions which cause output to fall or grow at a slower rate and unemployment to rise.

Thus, the concern that the Fund imposes austerity is partly due to confusion between the impact of the balance of payments constraint and the effects of the IMF program. It is the balance of payments constraint, not the Fund, that limits potential growth. The entire reason for the IMF's financing role is to safeguard and promote the conditions for balanced growth.

IMF RESOURCES AND OPERATIONS

The pace of IMF operations continued to slacken during the fiscal year as improvements in the global economy and successful LDC adjustment efforts reduced external financing requirements. The net use of IMF resources fell sharply to only SDR 1.5 billion as gross purchases declined to SDR 4.8 billion while repurchases rose to SDR 3.3 billion. At the end of the fiscal year, the number of stand-by and extended arrangements in force was 32, involving total commitments of SDR 13.3 billion of which SDR 6.2 billion was undrawn. The number of programs and commitments were at the lowest levels since the onset of the LDC debt problem in 1982 when 21 countries had programs involving SDR 2.5 billion in commitments. However, outstanding Fund credit continued to rise during the year, reaching SDR 35.3 billion to 80 countries as of September 30, 1985.

The IMF's liquidity position remained strong during the fiscal year as the improved global economic environment increased the number of currencies that could be used to finance IMF operations and the demand for IMF resources eased. Around the end of the fiscal year, the number of usable currencies had increased to 31 and total IMF holdings of these currencies and SDRs amounted to roughly SDR 42½ billion. Liquid claims on the IMF, primarily outstanding borrowings and members' reserve positions in the IMF, totaled about SDR 41½ billion at the end of the fiscal year.

Use by the IMF of the U.S. quota commitment results in an increase in U.S. international monetary reserves corresponding to the amount of the dollars transferred. At the end of FY 1985, the U.S. reserve position with the IMF was SDR 11.0 billion ($11.6 billion), including $1.3 billion of loans to the Fund. The United States received $674 million in remuneration during the fiscal year on its creditor position in the Fund.

IMF LENDING POLICIES

During the fiscal year, the IMF implemented a number of measures to gradually restore traditional lending limits, bring interest rates and charges closer to market levels, and deal with the emerging problems of prolonged use and arrears on IMF obligations.

Access to IMF resources: In 1981, the IMF adopted the policy of enlarged access to Fund resources to help members with balance of payments financing needs that were large in relation to their IMF quotas. The enlarged access policy is temporary and was scheduled to be eliminated at the end of the eighth review of IMF quotas, which resulted in the 1983 increase in quotas. However, the IMF has decided that the enlarged access policy should be gradually phased out by reducing the access limits each year until the traditional norms are restored.

In January 1985, the access limits were reduced to annual limits of 95 or 115 percent of quota (previously 102 or 125 percent), three-year limits of 280 or 345 of quota (previously 306 or 375 percent), and cumulative limits of 408 or 450 percent of quota (previously 408 or 500 percent), depending on the seriousness of a member's balance of payments need and the strength of its adjustment effort. At the October 1985 IMF/World Bank meetings in Seoul, the Interim Committee agreed to further modest reductions in the access limits to annual limits of 90 or 95 percent of quota, three year limits of 270 or 330 percent of quota, and cumulative limits of 400 or 440 percent.

IMF charges, interest rates, arrears: In recent years, the IMF has levied charges on drawings financed from quota subscriptions at a level sufficient to achieve a target amount of net income. At the same time, interest paid to members on use of their quota subscriptions (i.e., the rate of remuneration) has been set as a proportion of the SDR interest rate (which is a weighted average of short term market interest rates on the five currencies that are included in the SDR currency basket – the U.S. dollar, pound sterling, German mark, French franc, and Japanese yen). During fiscal 1985, the rate of charge was set at 7 percent per annum, the same as the previous year, and the remuneration coefficient was increased in two steps to 93 percent of the SDR interest rate (from 90 percent).

The IMF aims at achieving positive net income each year to cover administrative expenses and to add to reserves. During fiscal 1985 a number of countries experienced increasing difficulties in meeting their IMF obligations, resulting in large and growing arrears to the Fund. By the end of fiscal 1985, total arrears to the IMF had reached more than SDR 425 million.

The IMF took a number of steps to deal with the growing arrears problem. In fiscal 1985, the Fund decided not to include in current income the charges receivable from members that are overdue by six months or more in meeting their financial obligations to the Fund. In addition, the Fund raised its target level of income from a 3 percent increase in reserves to a 5 percent increase. Finally, a number of decisions were taken as part of an overall policy regarding members with protracted arrears, including suspension of financing under existing programs, accelerating the timetable for reaching a decision to formally declare a member ineligible to use IMF resources, and public notification when a member is declared ineligible to use Fund resources. Despite these measures, arrears continued to grow and the IMF experienced a net operating loss during the year for the first time since the mid-1970s. Consequently, at the end of the fiscal year the IMF Executive Board was considering additional steps that might be taken, including levying special charges on members in arrears, raising charges on IMF financing, and establishing special reserves against potential loan losses.

Trust Fund: The IMF Trust Fund was established in 1976 to provide concessional balance of payments financing to the poorest member countries. The resources for the Trust Fund were obtained primarily from profits on the sale of a portion of IMF gold holdings. The Trust Fund ceased operations in 1981 after making loans totalling SDR 2.9 billion. Interest and repayments on Trust Fund loans are made to the IMF for subsequent reuse as provided in Executive Board decisions.

In April 1985, the Interim Committee called on the Executive Board to prepare a report on use of the Trust Fund reflows for consideration by the Committee at its meeting in Seoul. The U.S. believes that the Trust Fund reflows provide a unique opportunity to combine the resources and expertise of the IMF and World Bank in a coordinated approach to the economic problems of the poorest countries with protracted balance of payments difficulties. At the IMF/World Bank annual meetings, Treasury Secretary Baker proposed that Trust Fund reflows and comparable World Bank resources be used to support comprehensive macroeconomic and structural programs in the poorest countries designed to establish the fundamental conditions for sustained growth and development. Major elements of this proposal were supported by the Interim Committee.

SPECIAL DRAWING RIGHTS

The role of the SDR and the possibility of a new SDR allocation continued to be discussed by the IMF during the fiscal year. However, wide differences of view remained and the Managing Director of the IMF was unable to present a proposal for an allocation which commanded the required support of members accounting for 85 percent of the total voting power in the Fund. In this context, the United States and some other major industrial countries continued to oppose an allocation on the grounds that the criteria specified in the IMF Articles of Agreement had not been satisfied. They argued that there was no shortage of international liquidity since global reserves continued to increase and that LDC debt problems reflected a loss of credit-worthiness, which could be better addressed through conditional financing. Other countries, however, argued that an allocation would enable the LDCs to increase reserves and ease debt servicing problems.

At the end of fiscal 1985, the total amount of SDRs remained at SDR 21.4 billion. U.S. SDR holdings amounted to SDR 6.5 billion, an increase of SDR 0.9 billion from the previous year and SDR 1.6 billion in excess of net cumulative allocations to the United States. The bulk of U.S. receipts of SDRs over the year reflected interest payments on the U.S. creditor position in the IMF as well as interest on SDR holdings.

IMPROVING THE INTERNATIONAL MONETARY SYSTEM

Foreign exchange market developments in recent years, including the sharp appreciation of the dollar, have led to several calls for reforms to improve the functioning of the international monetary system. At the invitation of the heads of state at the Williamsburg economic summit meeting in June 1983, Ministers of Finance from the Group of Ten conducted a study on "The Functioning of the International Monetary System."

The report, which was prepared by the G-10 Deputies, was endorsed and released by the Ministers following a meeting in Tokyo in June of 1985. The report focused on four basic areas: the functioning of floating exchange rates; strengthening multilateral surveillance; management of international liquidity; and the role of the International Monetary Fund.

The G-10 Ministers agreed that the present international monetary system was sound and had provided essential flexibility in a difficult global-environment and that the basic structure of the current international monetary system required no major institutional change. The system has also shown weaknesses, however, and there was a need to improve its functioning. They emphasized that greater exchange market stability would require a convergence of economic performance towards sustained non-inflationary growth through the adoption of sound and consistent policies. The Ministers also agreed that: the IMF had a central role to play in promoting international convergence of economic performance and that surveillance was the basic tool for moving towards this objective; liberalization and integration of national capital markets had permitted a significant increase in international capital flows, and enhanced the ability of creditworthy countries to meet their financing needs; and maintaining the pivotal role of the IMF in the international monetary system required the safeguarding of the Fund's monetary character and effectiveness of IMF conditionality. The Ministers were also of the view that cooperation between the IMF and IBRD should be strengthened.

The G-10 report, along with a similar report by the Group of 24 developing countries, was considered by the Interim Committee during its meeting in Seoul, in October 1985. Further review of these reports by the Executive Board of the IMF was to facilitate substantive consideration by the Interim Committee at its meeting in April 1986.

As part of the ongoing process of fostering international convergence of economic performance, and in view of the need to develop concrete measures to follow up on the results of the G-10 report, the Ministers of Finance and the Central Bank Governors of the G-5 met on September 22, 1985, to discuss economic developments and policies in their countries. They agreed that economic fundamentals in all of the countries were moving in the direction necessary to foster adjustment of external imbalances, and agreed to pursue additional policies to sustain and accelerate these favorable changes in the future.

The Ministers and Governors were convinced that improvements in underlying economic fundamentals would also help to promote stronger and more balanced growth in their economies, thereby strengthening the major non-dollar currencies and reducing external imbalances, including the high U.S. trade and current account deficits. They observed that exchange markets did not fully reflect these underlying improvements, and agreed, for the first time, that some orderly appreciation of the major non-dollar currencies against the dollar was indeed desirable. They also committed to cooperate more closely to encourage this when to do so would be helpful.

Exchange markets reacted favorably to the announcement, reflecting the importance of the commitments made. The G-5 announcement was not a one-shot effort, but one step in a continuing and ongoing process of enhanced economic cooperation focusing on the underlying fundamentals.

BASIC HUMAN NEEDS*

Legislation authorizing U.S. participation in the quota increase agreed to during the IMF's Seventh Review of Quotas (Section 33 of Bretton Woods Agreements Act, or Section 2 of P.L. 96-389, October 7, 1980) requires the preparation of prospective and retrospective analyses of the impact of upper credit tranche IMF programs on the provision of basic human needs in program countries. Accordingly, since 1980 U.S. positions on proposed IMF programs have taken into account their likely impact on the satisfaction of basic human needs. In addition, annual reports have been submitted to Congress assessing the effects on borrowers of upper tranche IMF programs in effect during each of the calendar years 1979 through 1984. (The most recent such report contained a basic human needs evaluation for each of the 38 countries drawing conditional IMF resources during calendar year 1984.)

In many cases, it has been difficult to draw more than general conclusions in our analysis, due to several factors. The analyses contained in the reports reflect the best available data from both program country governments and the international institutions, and on-site analyses prepared by U.S. embassy personnel. However, due to frequent country problems in compiling social welfare data and long reporting lags, these data are often incomplete and out-of-date. In addition, IMF-supported adjustment programs generally involve changes in broad macro-economic variables, rather than micro-economic variables which could be more directly related to the attainment of basic human needs objectives. Further, it is difficult to isolate and quantify those basic human needs developments attributable directly to the implementation of IMF-supported adjustment policies rather than to unrelated internal or external developments. We must also consider that the structural adjustments in IMF programs take place only over a period of several years. Consequently, there are substantial inherent difficulties in reaching an entirely satisfactory assessment of the impact of IMF programs on basic human needs over the limited period covered by the reports.

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*Special Report submitted in response to Section 813 of Public Law 98-181.

The analytical problems notwithstanding, the most recent basic human needs report reconfirmed the general conclusions of previous basic human needs reports. First, in most countries drawing IMF resources during calendar year 1984 some form of economic adjustment was necessary and inevitable. The provision of IMF financing and technical advice, together with the additional capital inflows often triggered by implementation of an IMF program, typically allowed these countries to make the necessary adjustments at a more orderly and less disruptive pace than would have been possible in the absence of IMF involvement. In most cases, countries with IMF programs are expected to be able to sustain a higher level of imports and growth under the program than in the period immediately preceding the program. The annual report therefore concludes that, in general, IMF involvement considerably limited the potential damage of long-overdue economic adjustment on the provision of basic human needs. Additionally, the report points out that the fundamental economic reforms implemented in the context of IMF programs–e.g., movement toward market-oriented exchange rates, producer prices and interest rates, and the adoption of structural adjustment measures–greatly improve the prospects for future growth, investment and employment and, correspondingly, for basic human needs improvements in the medium- and longer-term. In this context, the United States believes that successful implementation by all parties of the Baker initiative introduced at the close of the fiscal year would offer the best prospects for sustained, noninflationary growth in the debtor countries.

SUSTAINING ECONOMIC GROWTH*

Legislation enacted in November 1983 authorizing the U.S. participation in an increase in the financial resources of the International Monetary Fund (IMF) provides that the Annual Report of the National Advisory Council on International Economic and Financial Policies (NAC) shall indicate the steps taken by the United States to implement Sections 45(a) and 45(b) of the Bretton Woods Agreement Act, as amended.

- *Section 45(a)* requires U.S. officials to "use all appropriate means to encourage countries to formulate economic adjustment programs to deal with their balance of payments difficulties and external debt owed to private banks." Additionally, "such economic adjustment programs should be designed to safeguard, to the maximum extent feasible, international economic growth, world trade, employment and the long-term solvency of banks, and to minimize the likelihood of civil disturbances in countries needing economic adjustment programs."
- *Section 45(b)(1)* requires the U.S. Executive Director of the IMF to work for Fund policies which would "convert short-term bank debt which was made at high interest rates into long-term debt at lower rates of interest, and assure that the annual external debt service . . . is a manageable and prudent percentage of projected export earnings." This Section also provides that "in approving any economic adjustment program the Fund shall take into account the number of countries applying to the Fund for economic adjustment programs and the aggregate effects that such programs will have on international economic growth, world trade, exports and employment of other member countries, and the long-term solvency of banks."
- *Section 45(b)(2)* requires the U.S. Executive Director to oppose IMF financial assistance for "any economic adjustment program for a country in which the annual debt service exceeds 85 percent" unless several specific conditions are met.

The United States has pursued these objectives through Treasury's ongoing policy efforts regarding the IMF and, at the close of the fiscal year,

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*Special Report submitted in response to Section 813 of Public Law 98-181.

Secretary Baker's proposal at the 1985 IMF/World Bank meetings to strengthen the international debt strategy.

Implementation of Section 45(a)

During the fiscal year, the United States undertook a comprehensive review and assessment of the international debt strategy adopted in 1982/83 which resulted in major new proposals by Treasury Secretary Baker at the IMF/World Bank annual meetings in Seoul. As explained above, the "Program for Sustained Growth" announced by Secretary Baker focuses on the adoption by developing countries of comprehensive economic reform programs to achieve increased growth and effective balance of payments adjustment.

The U.S. debt initiative is premised on the belief that increased growth is an essential prerequisite for resolving the LDC debt problem. A country will never be able to repay its debt unless it can accumulate resources and export earnings at a faster pace than it accumulates debt. Moreover, without economic reform, no amount of money – whether derived from external borrowing, financial aid, or inflationary domestic pump-priming – will produce sustained growth.

In this context, the United States has been working closely with the principal debtor countries to encourage the adoption of growth-oriented economic programs. In particular, it has been stressing the need to pursue policies that will provide an environment for increased savings and investment, work effort, and the repatriation of flight capital. To support these efforts, the United States is also seeking reforms in the international financial institutions to place greater emphasis on structural reforms and to position the multilateral development banks to substantially increase financing in support of sound economic programs. Finally, the commercial banks are being urged to increase net new lending to countries undertaking necessary economic reforms for growth.

The Program for Sustained Growth addresses directly the issues raised in Section 45(a). Implementation of the program is proceeding and will enhance prospects for expanded global economic growth and world trade necessary for a sound international financial system and political stability in developing countries.

Implementation of Section 45(b)

Debt rescheduling by official and private creditors is an important element in the IMF's efforts to deal with LDC debt problems and the Fund plays a critical role in facilitating debt rescheduling. Thus, the Fund provides the participants in the Paris and London Clubs with the economic and financial data and policy analysis that form the basis for restructuring agreements. More importantly, the active and close involvement of the IMF in the adjustment efforts of countries, and, in particular, the Fund's willingness to provide financing in support of sound adjustment programs serves as an important "seal of approval" that engenders confidence among foreign creditors and a willingness on their part to make commitments regarding debt service and new capital flows.

Consistent with the requirements of Section 45(b), the United States has supported the Fund's catalytic role in debt rescheduling in individual cases, and has emphasized the importance of close IMF involvement with commercial banks' lending plans for debt-ridden LDCs. The United States has stressed in this connection that the Fund should seek primarily to create the more favorable economic conditions and prospects necessary to encourage additional voluntary private lending.

During the fiscal year, debt rescheduling was an integral part of the major share of IMF supported adjustment programs. Thus, of 27 programs adopted during the year, rescheduling by private and/or official creditors occurred in 14 cases involving $13 billion. In most cases, the reschedulings provided for lower interest rate spreads.

Aggregate Effects of IMF Programs. In recent years, the IMF, with strong U.S support, has been giving increased attention to the cumulative impact of Fund supported adjustment programs on global economic growth and world trade. The Fund staff regularly prepares detailed assessments of prospects for the world economy which focus on real growth, inflation, and trade and capital flows, both in aggregate and with respect to particular countries and regions. The regular World Economic Outlook thus provides a broad framework within which adjustment programs for individual countries are considered, and ensures that the anticipated results of adjustment programs are consistent with broader systemic considerations. The United States has consistently supported this approach, believing that it offers the best prospects for both accurate forecasts and country-specific policy recommendations that support global objectives regarding, for example, world economic growth, trade and employment and the long-term solvency of banks.

In addition, at the request of the Executive Board, the IMF staff produced a study examining the global impact of IMF programs on world growth. The staff study was subsequently discussed at an IMF Executive Board Seminar in July 1985. It concluded that the negative effect of IMF programs on the world economy has been small, since "the potential for program countries to affect economic activity in the rest of the world via increases or decreases in their demand for import would seem to be quite limited because their share of world trade is still quite modest, accounting in 1983 for about 7-8 percent of global imports and exports and roughly one-third of the trade of all non-oil developing countries."

Debt Service. Section 45(b)(2) requires the U.S. Executive Director to the I.M.F. to "oppose and vote against [a proposed IMF adjustment program] for a country in which the annual debt service exceeds 85 percent of the annual export earnings of such country . . . "

According to procedures developed to implement this requirement, the National Advisory Council (NAC) formally reviews each proposed IMF adjustment program to determine if the legislation is applicable. Documentation is prepared by Treasury Department desk officers for each IMF financing proposal, clearly outlining the borrowing country's debt service position. For the purposes of the NAC review, a comprehensive definition of the "annual external debt service" referred to in the legislation has been adopted which includes all external debt denominated in foreign currency (including short-term debt). The NAC reviewed 27 programs in FY1985 and 14 programs in FY1984. The average debt service ratio was roughly 31 percent in FY1985, compared to 39 percent in the previous year. In no case did the debt service ratio exceed 85 percent, in large measure due to rescheduling by official and private creditors. Debt rescheduling was an integral part of new IMF programs for 22 out of the 41 countries reviewed by the NAC during fiscal years 1984 and 1985.

III. MULTILATERAL ECONOMIC DEVELOPMENT ASSISTANCE

U.S. POLICY OBJECTIVES IN MULTILATERAL ASSISTANCE

A large proportion of U.S. multilateral development assistance is extended through the four multilateral development banks (MDBs) – the World Bank Group, the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank. The MDBs continue to play a central part in U.S. multilateral assistance programs because of their significant financial resources, their cost-sharing advantages, and their substantial experience in supporting development.

At the end of 1985, the executive branch was considering carefully the best means for strengthening the role of the MDBs in support of renewed growth in the developing countries.

For the low-income countries, especially in sub-Saharan Africa, the Administration was considering a new effort to address both stabilization and the longer-term structural changes required for growth in their economies.

For the major debtor countries, especially in Latin America, where the progress toward achieving external financial equilibrium did not appear to be dealing effectively with the more difficult structural impediments to resumed growth, the Administration envisaged a broad initiative involving (a) countries' agreement to adopt fundamental policy reforms, (b) greater lending by commercial banks, and (c) more structural adjustment lending by the MDBs.

Both proposals were advanced by Treasury Secretary Baker at the World Bank/IMF annual meetings in Seoul in early October 1985.

U.S. leadership in the MDBs was notably strengthened during the year by the decision in the Congress to provide the full level of support for the multilateral development banks that the Administration had requested: $1,548 million in budget authority and $3,684 million under program limitations. For the first time in more than a decade, the United States had met all its commitments to the multilateral development banks at the end of the fiscal year.

With the completion of the negotiations for the seventh replenishment of the International Development Association – IDA VII – the previous year, the United States undertook the responsibility to provide 25 percent of the $9 billion replenishment in fiscal years 1985 through 1987. On October 12, 1984, legislation to authorize U.S. participation was enacted and, for the first time since 1980 the full amount of the IDA request for the current replenishment was appropriated. The full participation by the United States in the first year of the replenishment ensured that other participating countries would provide their full amounts and that the IDA lending program could proceed unimpeded.

In 1985 the major U.S. initiatives of recent years to support the private sector – creation of the Inter-American Investment Corporation and the capital increase for the International Finance Corporation – were undergoing the ratification processes of participating governments. The United States joined the IIC on September 12, 1985, when Treasury Secretary Baker signed the Articles of Agreement on behalf of the United States after obtaining the necessary authorizing legislation. Authority for U.S. participation in the IFC capital increase was passed by Congress in December 1985. Negotiations for a Multilateral Investment Guarantee Agency to support private foreign investment and to operate under World Bank auspices were drawing to a close and were to be completed during 1986.

DEVELOPMENT LENDING BY THE MDBs DURING FISCAL YEAR 1985

During FY 1985 the MDBs approved loans and credits totaling $23,182 million. The World Bank

Group including the IDA and the IFC, was the largest source of these resources, extending loans and credits of $16,696 million (72.0 percent of the total). The IDB was the second largest multilateral lender with commitments of $3,477 million (15.0 percent of the total), followed by the ADB with commitments of $1,899 million (8.2 percent) and the AFDB Group with $1,110 million (4.8 percent of the total).

The total level of MDB loans and credit approvals in FY 1985 rose seven percent compared to FY 1984, and the World Bank increased its share in total lending relative to the regional development banks.

TABLE 5.—*Multilateral Development Banks Appropriations and Requests*

[In dollars]

	FY 85 Appropriations[1]	FY 86 Requests
IBRD		
Paid-in	139,722,474	182,870,597
Callable	1,723,243,831	2,105,454,718
	1,862,966,305	2,288,325,315
IDA		
IDA VI	150,000,000	....
IDA VII	750,000,000	750,000,000
	900,000,000	750,000,000
IFC	....	35,033,000
IDB		
Paid-in	78,002,154	58,000,983
Callable	1,655,464,826	1,230,964,704
Subtotal	1,733,466,980	1,288,965,687
FSO	145,000,000	72,500,000
IIC	13,000,000	13,000,000
	1,891,466,980	1,374,465,687
ADB		
Paid-in	13,232,676	13,232,676
Callable	251,367,220	251,367,220
Subtotal	264,599,896	264,599,896
ADF III	28,232,340	....
ADF IV	163,000,000	130,000,000
	455,832,236	394,599,896
AFDB		
Paid-in	17,987,678	17,986,678
Callable	53,960,036	53,960,036
	71,947,714	71,946,714
AFDF		
AFDF III	50,000,000	....
AFDF IV	....	75,000,000
	50,000,000	75,000,000
Total MDBs	5,232,213,235	4,989,370,612
Budget Authority	1,548,177,322	1,347,623,934
Program Limitation	3,684,035,913	3,641,746,678

[1] Includes FY 1985 Supplemental Appropriation.
Source: Treasury Department.

WORLD BANK GROUP

Program and Resources

The World Bank Group comprises the International Bank for Reconstruction and Development (IBRD), the International Development Association (IDA), and the International Finance Corporation (IFC). The IBRD's lending operations are financed primarily from its own borrowings in world capital markets and the interest rate it charges on loans is related to its cost of borrowing. IDA funds derive principally from member government contributions and are used to extend credits on concessional terms to the very poor LDCs. The IFC makes loans and equity investments primarily in the private sectors of the LDCs.

IBRD loans have been extended to middle income LDCs in Latin America, East Asia, and the Mediterranean area. IDA credits have been mostly to South Asian and sub-Saharan African LDCs. During FY 1985, the World Bank Group committed $16,696 million in financial resources to aid the economic and social development of borrowing countries. Of this total, loans by the IBRD amounted to $12,468 million and new IDA credits totaled $3,205 million. IFC commitments amounted to $1,023 million during the fiscal year.

In addition to providing project finance, the IBRD and IDA provide technical assistance and act as financial catalysts and institution builders. Moreover, they encourage the adoption of effective economic policies and increased reliance on market forces by borrowing countries. Agriculture was the largest sector for IBRD and IDA lending in FY 1985, with new loan commitments of $3,965 million, or 25 percent of total IBRD and IDA lending during the period. Other significant sectors of IBRD and IDA lending in 1985 included energy ($3,772 million), transportation ($2,213 million), and industry ($1,238 million).

International Bank for Reconstruction and Development (IBRD)

During FY 1985, the IBRD made new loan commitments of $12,468 million. The IBRD also played an important developmental role by extending technical assistance and helping to coordinate bilateral development aid flows to a number of LDCs.

The lending operations of the IBRD are financed from: (a) the proceeds of borrowings in world capital markets and from governments and central

TABLE 6.–*Multilateral Development Bank Lending Commitments for the Period October 1, 1984–September 30, 1985*

[Millions of dollars]

Sector	World Bank			IDB		ADB		AFDB		Total	Percent of Over Total
	IBRD	IDA	IFC[1]	OC/IRC	FSO	OC	SF	OC	AFDF		
Agriculture/Rural Development/Fishing[2]	2,401	1,564	54	645	42	164	321	131	188	5,510	24
Development Finance Companies	833	59	256	....	....	7	4	222	52	1,433	6
Education	654	333	.....	34	4	121	39	9	52	1,246	5
Energy/Power	3,517	255	.....	781	....	442	187	57	12	5,251	23
Industry/Mining	1,218	20	688	1,058	.....	....	....	37	25	3,046	13
Non-project	435[2]	194[2]	.....	.....	.....	.....	.....	.....	.....	629	3
Population, Health, Nutrition	220	81	.....	5	7	.....	17	.....	17	347	2
Technical Assistance	45	48	.....	30[3]	25[3]	.....	.....	.....	2	150	1
Telecommunications	60	22	.....	.....	....	73	.....	....	2	157	1
Transportation	1,940	273	.....	192	33	131	3	154	100	2,826	12
Urban Development	504	175	.....	189	35	83	.....	.....	.....	986	4
Water Supply & Sewerage	642	181	.....	277	84	265	10	7	42	1,508	7
Other	.....	.....	25	37	.....	25	8	.....	1	96	.....
Total	12,468	3,205	1,023	3,247	230	1,311	588	618	492	23,182	100

[1] Includes both debt and equity investments.
[2] Structural adjustment and program loans.
[3] Preinvestment studies.

NOTE: Detail might not add due to rounding.
Source: Treasury Department.

banks; (b) the convertible currency portion of the paid-in capital subscriptions of member countries; (c) sales of loan participations; (d) repayments of principal on previously-extended loans, and (e) earnings on loans and investments.

The IBRD borrowed the equivalent of $11,086 million during its fiscal year (July 1, 1984 through June 30, 1985) largely through public issues and private placements. Refinancing of short-term borrowings amounted to $2,749 million and brought "gross borrowings" to a total of $13,835 million.

As of June 30, 1985, the outstanding obligations of the IBRD amounted to $53.0 billion. These obligations, denominated in 20 different currencies, had been placed with investors (including central banks and governments) in more than 100 countries. Approximately $19.6 billion (37 percent) were owed in dollars.

IBRD loan charge levels (interest rate and other fees) are reviewed each quarter and the interest rate on IBRD loans is adjusted every six months to provide a margin over the Bank's cost of borrowing. The lending rate applicable for the period July 1 to December 31, 1985 was 8.82 percent. The IBRD also charged a 0.75 percent commitment fee which raised its "effective lending rate" to 9.57 percent. IBRD loans have maturities of from 15 to 20 years with grace periods of 3 to 5 years.

IBRD net income for its fiscal year 1985 was $1,137 million, $537 million higher than in the preceding fiscal year. This 90 percent increase was largely the result of a sharp gain in income from investments. During fiscal year 1985, the Bank's Board of Governors allocated $100 million of the previous year's $600 million net income as a grant to the IDA, and the remaining $500 million was allocated to the Bank's General Reserve.

International Development Association (IDA)

The IDA made new credit commitments of $3,205 million during U.S. FY 1985. IDA credits are extended to the poorest LDCs (primarily in South Asia and sub-Saharan Africa), although these credits must satisfy the same economic, financial, and social standards as apply to IBRD loans. IDA credits have maturities of 50 years, a ten year grace period, and are interest-free. Until January 1982 they carried an annual service charge of 0.75 percent on the disbursed portion of each credit. Since then a service charge has been payable on the entire credit at the rate of 0.75 percent on the disbursed balance and 0.5 percent on the undisbursed balance of the credit. IDA is legally and financially distinct from the IBRD, but is administered by the professional staff of the IBRD (IDA does not have its own staff). IDA fully reimburses the IBRD for the administrative costs of the support from the IBRD.

TABLE 7.–*IBRD Income Statement*

[Thousands of dollars]

	July 1–June 30	
	1983–84	1984–85
INCOME		
Income from loans:		
Interest	$2,961,922	$3,238,737
Commitment charges	239,828	239,144
Front-end fees	33,964	10,062
Income from investments	1,399,022	2,019,138
Other income	19,786	21,671
Total income	4,654,522	5,528,752
EXPENSES		
Borrowing expenses:		
Interest on borrowings	3,638,395	3,932,867
Bond issuance borrowing	48,590	59,903
Administrative expenses	329,959	354,820
Other expenses	5,539	4,970
Total expenses	4,022,483	4,352,560
Operating income	632,039	1,176,192
Contributions to special programs	32,000	39,065
Net income	600,039	1,137,127

Source: World Bank.

A member country is generally eligible for IDA credits only if it:

- has an annual per capita gross national product of less than $790 equivalent in 1983 dollars (most IDA credits are extended to LDCs that have much lower per capita income levels);
- can use the credit effectively and has suitable projects available; and,
- possesses insufficient creditworthiness to secure and service non-concessional debt, such as IBRD and private market loans.

About fifty countries are currently eligible for IDA credits under these criteria.

Some IDA credit recipients (e.g., India) are denominated as "blend" countries since they are deemed to be creditworthy enough to assume some nonconcessional financing on IBRD loan terms. The United States encourages IDA recipients to shift ("graduate") to using IBRD resources as soon as feasible and 27 former IDA recipients have done so.

IDA lending is financed primarily with convertible currency resources contributed by donor member countries under IDA replenishments. Other sources of IDA funding include the proceeds from the transfer of a portion of IBRD net income and repayments of principal on previously-extended IDA credits.

International Finance Corporation (IFC)

The IFC is the World Bank Group entity specifically charged wtih providing financial resources and investment expertise to promote productive private sector activity in the LDCs. The United States strongly supports the IFC and considers its activities in the promotion of the private sector and capital market development as vital elements in the development process. The United States is also the largest shareholder in the IFC, having subscribed (as of June 30, 1985) to 26.9 percent of its total capital, and it strongly supports its future growth.

The Corporation is one of the few international development finance institutions empowered both to make equity investments and to extend loans without requiring government guarantees. The IFC thus has the flexibility to provide the type of financial assistance best suited to the particular requirements of each project it helps to finance.

The IFC also contributes to the development process by providing technical assistance to developing country governments interested in attracting foreign investment and improving the functioning of their private sectors.

During FY 1985, the IFC aided projects in LDCs with loans and equity investments of $1,023 million. (Total investment in these projects was more than four times the amount committed by the IFC.)

In December 1985, the IFC Board of Governors ratified a $650 million capital increase of the IFC. This capital increase, which was strongly supported by the United States, will enable the IFC to implement fully its new Five Year Program.

Other Policy Issues and Developments

New Memberships: Tonga became a member of the IBRD on September 13, 1985, and Hungary joined IDA on April 29, 1985, bringing total membership in the IBRD to 149 and in IDA to 133.

Annual Meetings: The 40th joint annual meetings of the International Monetary Fund and the World Bank Group were held on October 8-11, 1985 in Seoul, Korea. At these meetings, Treasury Secretary Baker proposed a "Sustained Program for Growth" in debtor countries. First and foremost, the Program called for the adoption by heavily indebted countries of comprehensive macroeconomic and structural policies, supported by the international financial institutions, to promote growth and balance of payments adjustment, and to reduce inflation. Second, the Program proposed a continued central role for the IMF, in conjunction with increased and more effective structural adjustment lending by the multilateral development banks, both in support of the adoption by heavily indebted countries of market-oriented policies for growth. Third, the Program called for increased lending by the private banks in support of comprehensive economic adjustment programs. He also called for special efforts to assist the poorest countries and noted that $2.7 billion in IMF Trust Fund reflows, possibly supplemented by other sources, presented an opportunity to support a comprehensive approach, including fundamental structural policy changes, to address the economic problems of these countries.

INTER-AMERICAN DEVELOPMENT BANK (IDB)

The IDB is a major source of development assistance to LDCs in Latin America and the Caribbean. It provides loans on both near-market and concessional terms.

During fiscal year 1985, the IDB committed $3,477 million in loans. Of this total, $3,247 million represented loans on conventional terms from the Ordinary Capital (OC) and Inter-Regional Capital (IRC) resources of the Bank and $230 million consisted of loans on concessional terms from the IDB Fund for Special Operations (FSO). As of September 30, 1985, cumulative lending by the IDB (since it began lending in February 1961) amounted to $29.4 billion.

IDB lending in fiscal year 1985 through Ordinary Capital, Inter-Regional Capital, and the Fund for Special Operations covered 55 projects in 19 countries. Loans were concentrated on projects in industry (approximately 30 percent of the total), energy (approximately 22 percent), and agriculture (approximately 20 percent). The breakdown of IDB loans into sector categories may be somewhat misleading, however, since many projects are multi-purpose in nature with objectives and benefits spread over several economic sectors.

IDB lending is financed primarily through resources derived from borrowings in world capital markets, the paid-in capital subscriptions of member countries, retained earnings, and member contributions to the FSO. As of September 1985, the subscribed capital stock of the IDB amounted to $26.8 billion and FSO resources totalled $8.3 billion. The U.S. share of IDB capital was $9.4 billion, or 35 percent of the total.

The IDB's latest replenishment (its sixth) covers the calendar years 1983 to 1986 and amounts to $15.5 billion, consisting of $14.8 billion of IDB capital stock and $703 million for the FSO. The IDB's total lending program, including anticipated reflows, is expected to amount to about $13 billion over this replenishment period.

Inter-American Investment Corporation (IIC)

On September 12, 1985, Treasury Secretary Baker signed on behalf of the United States the Agreement Establishing the Inter-American Investment Corporation (IIC), an affiliate of the IDB. The IIC will be a new multilateral organization designed to support private sector activities in Latin America through equity and loan investments that focus primarily on small and medium scale enterprises. The Agreement is in the process of ratification by participating governments. The capital shares of the IIC will be divided as follows: Latin America and the Caribbean, 55 percent; the United States, 25.5 percent; and non-regional countries, 19.5 percent.

ASIAN DEVELOPMENT BANK (ADB)

The ADB helps finance economic development in Asian and Pacific area LDCs through the provision of loans on near-market terms (Ordinary Capital (OC)) and on concessional terms through the Asian Development Fund (ADF)). During FY 1985 the ADB approved new loans totalling $1.9 billion. Of this total, OC loans accounted for $1.3 billion and ADF loans for $0.6 billion. Cumulative ADB lending, as of September 30, 1985, had amounted to $15.3 billion ($10.5 billion from OC resources and $4.9 billion from the ADF).

During FY 1985 the ADB committed loans for 44 projects in 16 countries. Indonesia ($390 million), Thailand ($364 million), Malaysia ($159 million), the Philippines ($146 million), Pakistan ($137 million), and Korea ($94 million) were the largest OC borrowers, accounting for 98 percent of OC commitments. Pakistan ($251 million), Bangladesh ($189 million), Sri Lanka ($61 million), and Nepal ($59 million) were the largest of ADF borrowers, accounting for 95 percent of total ADF loan commitments.

ADB lending during FY 1985 was concentrated in the energy sector (33 percent) and the agriculture and agro-industry sectors (26 percent). Transportation, communications, and development banks received 11 percent while social infrastructure (water and sewerage, housing, education, and health) accounted for 28 percent of total loans.

ADB OC lending operations are financed with resources from paid-in capital subscriptions from member governments and borrowings from private capital markets which are backed by the callable capital guarantees of ADB members. ADF resources used for concessional loans are contributed by member countries.

Under the terms of the third general capital increase (GCI), member countries agreed in FY 1983 to increase ADB resources by $8.1 billion (shares valued at the $10,720 price prevailing on September 30, 1982). These resources are intended to finance ADB lending in the period 1983 to 1988. The United States subscribed to its full complement of shares under this GCI in FY 1984, for a total of $1,323 million ($66.2 million in paid-in capital and $1,256.8 in callable capital). This raised our cumulative subscription to ADB capital to 240,875 shares, valued at $2.55 billion (priced at share value of $10,594 as of September 30, 1985). The United States made the first of five equal annual payment tranches of $264.6 million ($13.2 million paid-in capital and $251.4 million callable capital) in FY 1984. In FY 1985 the United States made a payment of $264.6 million for the second tranche of the third GCI, and in FY 1986 provided $238.1 million for the third tranche ($11.9 million for paid-in capital and $226.2 for callable capital).

In July 1982 the Board of Governors approved a third replenishment for the Asian Development Fund in the amount of $3.2 billion to cover ADF lending for the period 1983-86. The U.S. share of ADF IV was $520 million, to be paid in four equal installments. During FY 1984 the United States contributed $97 million towards its first tranche payment of $130 million and also completed its contributions to the second replenishment of the ADF with a $3 million contribution. In FY 1985 the United States contributed $163 million to ADF IV (completing its contributions to the first tranche and paying the second tranche in full). During the same year it also completed its contributions to the first ADF replenishment (ADF II) with a contribution of $28.2 million.

During FY 1985 the United States and other ADB member countries discussed a fourth replenishment for the ADF (ADF V) which would cover the period 1987-1990. At the urging of the United States, the Bank and members have also discussed the possibility of improving the efficiency of the ADB through: (a) increasing the emphasis on lending to the private sector; (b) improvement in loan quality; (c) development of country strategies; (d) more regularized funding for the Technical Assistance Special Fund; and (e) hardening of ADF lending terms.

AFRICAN DEVELOPMENT BANK GROUP

The African Development Bank Group includes the Bank, which makes loans on market-related terms to the higher income African countries, and the African Development Fund, the concessional lending affiliate of the Bank which makes loans only to the poorest African nations.

The African Development Bank (AFDB) was established in 1963 to contribute to the economic and social progress of its regional members – individually and jointly. Until late 1982 membership in the Bank was limited to African nations. Nonregional countries have been members of the African Development Fund since its establishment in 1973.

The United States became a member of the AFDB in February 1983. In joining, the United States agreed to subscribe to a total of $359.7 million of the Bank's capital over the FY 1983–FY 1987 period. During FY 1985 the United States made the third of five $71.9 million installments (paid-in $18.0 million, callable $53.9 million) on its subscriptions. As of September 30, 1985, AFDB subscribed capital totaled $5.6 billion.

AFDB lending during fiscal year 1985 amounted to $617.6 million, for 28 loans to 22 countries. Loans for industry and industrial credit projects accounted for 34.3 percent of AFDB lending during the year while 28.9 percent was for agriculture projects, 25.0 percent for transportation projects, 10.4 percent for public utilities projects, and 1.4 percent for health and education projects. Cumulative AFDB lending was $3.5 billion at the end of FY 1985.

The United States joined the African Development Fund (AFDF) in November 1976 and had contributed a total of $325 million to the Fund by the end of FY 1985. During the fiscal year the United States made the last payment of $50 million on its $150 million contribution to the third replenishment of the AFDF's resources. Total contributions paid to the AFDF by all members as of September 30, 1985, amounted to $2.27 billion.

During fiscal year 1985 AFDF loans totalled $492.4 million, distributed among 31 African countries. This lending supported projects in agriculture, transportation, public utilities, education and health, and industries. Agriculture projects absorbed the largest share – 47.2 percent – of the loan resources, followed by transportation (primarily roads) at 19.4 percent. Education and public utilities were the next most important sectors of AFDF lending during the period under review, accounting for 9.8 percent each. In addition, the Fund lent $26.9 million for 25 studies. As of September 30, 1985, the cumulative total of AFDF lending was $2.5 billion.

A $1.5 billion fourth replenishment of AFDF resources was agreed to in May 1984 to cover Fund lending over the 1985 to 1987 period. For the U.S. share, the Administration sought from Congress authorization legislation for a contribution of $225 million to be appropriated over the FY 1985-1987 period.

PROCUREMENT

In fiscal year 1985, a concerted and coordinated effort was made to advise U.S. consultants, contractors and suppliers of procurement opportunities which may be available to them through the MDBs. Special briefings (conducted by Treasury Department officials) were held for small- and medium-scale businessmen in Phoenix, Minneapolis and Milwaukee under the auspices of the Department of Commerce. In addition, support for larger firms has continued through the operations of the Major Prospects Coordinating Group, which tracks major MDB projects along with projects funded from other sources and seeks to provide assistance to U.S. firms interested in bidding for portions of that business.

The MDBs themselves have maintained a program of periodic briefings for U.S. businessmen, outlining procurement policies and procedures and the information which is available during various stages of the project. World Bank Group seminars on this subject are held monthly at Bank headquarters in Washington. The IDB and ADB have also held briefings for businessmen in several U.S. cities, cooperating with local Chambers of Commerce, educational institutions and State economic development and trade agencies.

Important steps were taken during the fiscal year to improve the flow of procurement information among the MDBs and U.S. Government agencies (particularly from the AFDB, headquartered in the Ivory Coast). In particular, there was a strengthening of coordination between foreign commercial service offices in both Abidjan and Manila and the AFDB and ADB, respectively. A representative from the Major Projects Office of the Commerce Department has also been detailed on a part-time basis to the offices of the U.S. Executive Directors at both the World Bank and the Inter-American Development Bank to participate directly in programs for providing assistance to U.S. firms who may be interested in MDB business.

MULTILATERAL DEVELOPMENT BANK PROJECTS AND WORLD MARKET SURPLUS COMMODITIES*

During FY 1985, the Treasury Department reviewed all MDB loans in terms of the legislative requirements established by the Congress for surplus commodities. Congress has specified that the review of the proposals result in a negative vote if it would either establish or enhance the capacity to produce a commodity for export, if it is in surplus, and will cause material injury to U.S. producers of the same, similar, or competing commodities.

During FY 1985, U.S. representatives opposed two loans for one project in the African Development Bank and Fund (AFDB/F) and two equity investments in the International Finance Corporation (IFC) and the Asian Development Bank (ADB), where the potential for injury to U.S. producers existed. In the review of these projects, two of which were for steel and one for oil palm, the impact of additional supplies on the world market was analysed and the prospect of injury to U.S. suppliers carefully evaluated. In each instance, however, the impact on U.S. producers was not the deciding factor in the U.S. vote. In reviewing the investment in Brazil, the role of the IFC was judged to be unnecessary, and potentially it could displace local private capital. In the case of the investment in Indonesia, the poor management structure, inefficient import substitution, and the lack of any commitment by the government to eventually divest its 40 percent share, were the principal reasons for U.S. opposition. In the other case, the AFDB and AFDF loans for Madagascar, it was concluded that the project's potential success was very doubtful.

Bank	Date	Country	Loan Amount ($ millions)	Project	U.S. Vote	Reason
IFC	Feb. 1985	Brazil	3.0 equity	COSIGUA Steel Modernization	No	Additional IFC equity investment not necessary, and therefore could displace local private capital
ADB	Jun. 1985	Indonesia	0.4 equity	Kratama Belindo Steel Fabricating	No	Poor management structure, inefficient import substitution, and no government commitment to divest its (40 percent) interest
AFDB/F	Dec. 1984	Chile	4.6/5.5	Antalaha Palm Oil Plantation and Mill	No	Poor soil and excess milling capacity.

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* Report submitted in response to Section 813 of Public Law 98-181.

Source: Department of Treasury.

IV. TRADE POLICY AND TRADE FINANCE

PRESIDENT'S TRADE ACTION PLAN

On September 23, 1985, President Reagan introduced an aggressive trade policy initiative with the twin objectives of promoting a stronger, more open international trading system and increasing access to foreign markets for U.S. exporters. This approach reinforces the President's commitment to "free but fair" trade.

Key elements of the President's new action plan included a campaign against foreign unfair trade practices, highlighted by the self-initiation by the executive branch of several cases under section 301 of the Trade Act of 1974, the first instance of such self-initiation. The President also created an interagency strike force, headed by Commerce Secretary Baldrige, to identify foreign unfair trade practices and make recommendations for their removal.

In addition, the Administration announced the acceleration of several ongoing 301 cases, all of which were being considered in the GATT (see section on Import Restrictions and Export Subsidies). These cases include Japanese restrictions on leather and footwear and European Community (EC) subsidies on canned fruit. The President also announced that the U.S. Government would initiate a complaint against EC wheat export subsidies under the General Agreement on Tariffs and Trade (GATT).

The United States pressed several cases in the GATT Subsidies Code Committee, including EC pasta subsidies. The United States and the EC continued consultations on this issue. The United States also held consultations with the EC and Brazil regarding their export subsidies on poultry. This process moved into the conciliation stage in 1983. Since the conciliation process began, Brazil has made several changes in its subsidy programs which have substantially reduced the overall level of subsidization of its poultry exports.

The United States also successfully completed negotiations with several of its trading partners in the course of FY 1985 on their commitments to reduce or eliminate export subsidies in the context of the accession of these countries to the GATT Subsidies Code. These countries include Portugal (subsidy commitment signed November 1984); Turkey (February 1985); Indonesia (February 1985); and the Philippines (March 1985).

The United States also signed similar bilateral subsidies agreements with Mexico (not a GATT member) and Israel (in connection with negotiations on the U.S.-Israel Free Trade Area) in April 1985. (Israel subsequently joined the Subsidies Code.) All of these agreements place a significant amount of discipline on the use by these countries of subsidies to promote their exports.

NEW ROUND OF MULTILATERAL TRADE NEGOTIATIONS

At the OECD Ministerial meeting in April 1985, a consensus was reached on the need for a new round of multilateral trade negotiations (MTN). The United States and Canada led the push for an early 1986 starting date, but certain other members declined to allow any explicit date to be set.

The need for a new MTN round was reiterated at the Bonn economic summit meeting in May 1985. The GATT Contracting Parties (CPs) subsequently met in late September in a special session at which a group of senior officials were directed to meet to develop a report to the CPs. A Preparatory Committee was formed in late November 1985 to begin the work necessary to launch the new round. These procedural complexities were necessitated because some major developing countries, such as Brazil and India, have opposed a broad negotiating mandate for a new MTN.

The principal U.S. objectives were to strengthen existing trade rules and establish new ones that would assure U.S. exporters access to foreign markets on a competitive and fair basis, especially in the areas of high technology products, services, intellectual property rights, and investment. The United States also sought to expand trade links with developing countries on the basis of increased mutual responsibilities, thus contributing to the development of those countries as well as providing economic benefits to the United States.

U.S.-JAPAN RELATIONS

MOSS: In January 1985 President Reagan and Prime Minister Nakasone of Japan agreed upon a new U.S.-Japan trade initiative aimed at opening up the Japanese economy to U.S. exports. The initiative, a market-oriented, sector selective (MOSS) approach, was designed to increase market access by removing both formal and informal barriers to trade, especially Japan's nontariff barriers to imports of selected manufactured items. These nontariff barriers involve relationships between government and the private sector, as well as the business practices and standards prevailing in the Japanese economy.

The MOSS process focused on four sectors in which U.S. businesses have competitive strength and growth potential: medical equipment and pharmaceuticals; telecommunications; electronics; and forest products. Throughout the year officials from both sides met regularly to negotiate specific points in each of these sectors. Progress was uneven and generally slow. Negotiations and follow-up consultations were expected to continue into 1986.

Action Program: In July 1985 the Government of Japan announced an Action Program to improve market access for foreign goods. The program included the following components: reductions or elimination of tariffs on some 1,800 items; with respect to import quotas, continued work in such forums as the GATT Committee on Trade in Agriculture; reduction of government intervention in standards and certification systems, increased acceptance of foreign test data, and assurance of transparency in the drafting of new or revised standards; in the area of government procurement, enlarged GATT code coverage to encompass 16 more government-related entities and establishment of a single qualification system for all would-be suppliers; additional moves to liberalize financial and capital markets; and increased efforts to promote imports of various services.

The U.S. Government welcomed the Action Program as an effort by Japan to resolve trade conflicts, but expressed concern that the program would not go far enough in opening Japan's market, and that its improvements will come too slowly.

Autos: On March 1, 1985 the President announced his decision not to urge the Japanese to extend their voluntary export restraints on automobiles to the United States. His decision was based on the improved performance of U.S. auto makers and the cost to U.S. consumers of the restraints. The program initially set annual limits of 1.63 million for the first three years (1981-1983) and 1.85 in 1984. Japanese auto exports to the United States were to increase to 2.4 million units in 1985 under export quotas maintained unilaterally by the Japanese Government.

GENERALIZED SYSTEM OF PREFERENCES PROGRAM

The Generalized System of Preferences (GSP) Program offers limited duty-free treatment to 140 less developed countries (LDCs) and territories, with the purpose of fostering development through trade. Imports totaling nearly $13.3 billion entered the United States under this program in 1985. This represents an increase of more than 2 percent over 1984 and nearly 58 percent over 1981. Import sensitive products, such as steel, textiles and footwear are statutorily excluded from the program. The program, which was scheduled to expire in January 1985, was extended through July 1993 by the Trade and Tariff Act of 1984.

The 1984 legislation also called for a General Review of the program to be completed before January 1987. The purpose of the review is to assess the competitiveness of each of the Beneficiary Developing Countries (BDCs) with respect to each of the eligible products. The review draws additional attention to U.S. efforts to ensure that the benefits of the GSP are accruing to those countries most in need of preferential treatment to compete in the U.S. market. In addition, the legislation required that the President consider a country's performance in several areas when assessing its overall competitiveness. These areas include: barriers to investment and to trade in goods and services, workers' rights, and protection of intellectual property rights. When a country is deemed sufficiently competitive, that country may be allowed lower levels of duty-free trade under the GSP program in future years.

In 1985 the General Review got under way with public hearings and submission of petitions and testimony by interested parties, including representatives of exporting country governments, domestic industries, domestic importers, and exporting industries.

IMPORT POLICY

Textiles and Apparel Imports: Imports of textiles and apparel during the twelve month period ending September 1985 increased by 1 percent over the same period a year earlier. Apparel imports grew by nearly 4 percent while non-apparel textile imports fell by 1.5 percent. Textile and apparel imports from the "Big Three" suppliers (Hong Kong, Taiwan, and Korea) fell more than 7 percent while imports from the European Community grew by more than 30 percent, and imports from the ASEAN countries grew by 16 percent.

The Committee to Implement Textile Agreements (CITA), chaired by the Commerce Department, initiated about 120 calls for consultation (resulting in restraint levels) on specific product categories from specific countries in calendar year 1985. CITA is made up of representatives from the Departments of Commerce, Labor, State, Treasury and the Office of United States Trade Representative. CITA administers the U.S. textile and apparel import control program.

International trade in textiles and apparel is governed by the Multifiber Arrangement, or MFA. The MFA allows importing countries to impose quantitative limits on imports of specific products from specific countries when the domestic market for a product is "disrupted." These limits may be imposed either by the "call" method described above or through bilateral negotiated agreements. At the end of FY 1985, the United States had more than 35 bilateral agreements covering trade in textiles and apparel. The MFA also ensures growth in market access for exporters. The MFA was due to expire in July 1986 and the United States was working to negotiate a successor arrangement with its many textile trading partners.

Steel: The U.S. Government developed a steel program in 1984 to allow U.S. producers time and resources to modernize their steel mills. The U.S. steel industry has been affected in part by the unfair trade practices of foreign competitors. The President's steel program has involved negotiated voluntary restraint arrangements with 15 nations and the European Community that limit the export of various steel products to the United States. In 1985 agreements were signed with Venezuela, Rumania, Poland and East Germany, all of which had been greatly increasing exports to the United States.

On December 10, 1985, the United States and the European Community extended the 1982 U.S.-EC Carbon Steel Arrangement until September 30, 1985 and expanded it to cover 11 additional "consultation products" (agreed in principle in August 1985) and 10 new products as well as semi-finished steel. The agreement will limit EC penetration into the U.S. market to an overall level of 5.5 percent compared to a total foreign penetration target of 18.5 percent.

Footwear: Based on a section 201 investigation, the International Trade Commission (ITC) announced in June 1985 that imports of nonrubber footwear had materially injured U.S. producers. Following this finding the President announced on August 28, 1985, his decision not to impose either quotas or tariffs on shoe imports into the United States.

The President based his decision on estimates that the cost to consumers of such actions would be nearly $3 billion if quotas were imposed. Quotas would also have entitled U.S. trading partners to another $2 billion in compensation, or they could have retaliated in other areas. The President also noted that protection afforded U.S. shoe producers between 1977 and 1981 did little to stem the decline in U.S. competitiveness during that period.

U.S. BILATERAL FREE TRADE INITIATIVES

Israel: On April 22, 1985, the United States and Israel signed a free trade agreement (FTA) as authorized by the U.S. Trade and Tariff Act of 1984. The liberalization of bilateral trade will be undertaken in the context of the world multilateral trading system. Unless specifically modified by the terms of the FTA, the provisions of the GATT will continue to apply to the relations of the United States and Israel. Those GATT provisions modified by the FTA include safeguards, infant industries, balance of payments, specific duties and tariff concessions. Three GATT codes – subsidies, licensing and government procurement – are also addressed in the FTA. Israel has subsequently joined the Subsidies Code of the GATT.

Canada: On September 26, 1985, Prime Minister Mulroney of Canada formally proposed that the United States and Canada enter into negotiations on a broad-based bilateral trade agreement. President Reagan welcomed the proposal and expressed the hope that the ensuing consultations with Congress and the private sector would proceed quickly. On December 10 he formally notified the Senate Finance and the House Ways and Means Committees of the Administration's intent to enter negotiations leading to an FTA with Canada.

IMPORT RESTRICTIONS AND EXPORT SUBSIDIES*

As was done for fiscal year 1984, the emphasis of this report is on actions taken to reduce or eliminate import restrictions and export subsidies which have been found to be violations of the General Agreement on Tariffs and Trade (GATT). However, these activities are described in the context of broader U.S. Government efforts to obtain the reduction or elimination of import restrictions and export subsidies which adversely affect U.S. firms.

Fiscal year 1985 saw a stepped-up U.S. Government campaign against foreign import restrictions and export subsidies. The President described the major elements of this campaign in a speech on September 23, 1985 (for details see *Report of the President on the Trade Agreements Program, 1984-1985*).

A major feature of the campaign was the initiation by the Administration of several investigations under Section 301 of the Trade Act of 1974, as amended. The following cases were filed in September and October 1985:

1. Korea – restrictions on U.S. insurance companies.
2. Korea – lack of protection for intellectual property rights.
3. Brazil – restrictions on U.S. sales of computers and related products.
4. Japan – restrictions on sales of U.S. tobacco products.

None of these cases have been brought to the GATT for resolution at this time. In October, the President also directed the U.S. Trade Representative to initiate GATT Subsidies Code proceedings against EC wheat export subsidies.

In addition, the Administration announced the acceleration of several ongoing 301 cases, all of which were being considered in the GATT.

- *Japanese restrictions on leather and footwear*: A GATT panel found the Japanese leather restrictions to be a violation of GATT Article XI in March 1984. The GATT Council adopted the panel report in May 1984. In mid-1985 the United States asked that a GATT panel be formed to consider the Japanese restrictions on footwear.
- *European Community (EC) subsidies on canned fruit*: A GATT panel found in July 1985 that these subsidies impair tariff bindings. The EC blocked GATT Council consideration of the report of the panel. The United States and the EC resolved the dispute in November 1985 when the EC agreed to end the processing subsidy for canned peaches within two years. The EC had already reduced the subsidy on canned pears and limited the amount of pears receiving the subsidy.

During the course of FY 1985 the Administration took countermeasures against the EC for its preferential duties on imports of citrus fruits from certain Mediterranean countries. A GATT panel had ruled in December 1984 that the EC preferences had an adverse effect on U.S. citrus producers. However, the EC blocked adoption of the panel report by the GATT Council. On November 1, 1985, the President imposed substantial tariff increases on imports of pasta from the EC in order to restore a balance of concessions in the GATT. The EC retaliated against the U.S. tariff increase on pasta by increasing duties on imports of lemons and walnuts from the United States. The United States and the EC have been consulting with a view to resolving the dispute.

The United States has been pressing several cases in the GATT Subsidies Code:

- *EC pasta subsidies*: The United States has charged that EC subsidies for pasta exports violate the GATT Subsidies Code. A Subsidies Code panel found in favor of the United States in May 1983; however, the EC has blocked adoption of the panel report. The United States and the EC are continuing consultations on this issue.
- ***EC, Brazilian poultry subsidies***: The United States has held consultations with the EC and

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*Submitted in response to Section 813 of Public Law 98-181.

Brazil regarding their export subsidies on poultry. This process moved into the conciliation stage in 1983. Since the conciliation process began, Brazil has made several changes in its subsidy programs which have substantially reduced the overall level of subsidization of its poultry exports. The dispute remains in the conciliation stage.

Several other GATT cases aimed at import restrictions and export subsidies have been initiated by countries other than the United States which are also members of the IMF. In some instances, these cases have been brought against the United States. The cases brought in FY 1985 are the following:

- ***EC vs. Canadian provincial liquor boards***: The EC has charged that certain practices of the Canadian provincial liquor boards violate GATT rules against discrimination (in particular Article III). The EC has indicated that it will ask that a GATT panel be formed to consider this case.
- ***South Africa vs. Canadian provincial taxation of gold coins***: South Africa has charged that the practice of the provincial government of Ontario of exempting the Canadian Maple Leaf gold coin (and no other domestic or gold coins) from its retail sales tax is a violation of GATT. In September 1985 a GATT panel found the Canadian practice to be a violation of GATT Article III.

The United States also successfully completed negotiations with several of its trading partners in the course of FY 1985 on commitments to reduce or eliminate export subsidies, in the course of the accession of these countries to the GATT Subsidies Code. Negotiations were completed with the following countries:

- Portugal – November 1984
- Turkey – February 1985
- Indonesia – February 1985
- Philippines – March 1985

The United States also signed bilateral subsidies agreements with Mexico and Israel (in connection with negotiations on the U.S.-Israel Free Trade Area) in April 1985. Israel has subsequently joined the Subsidies Code. All of these agreements place a significant amount of discipline on the use by these countries of subsidies to promote their exports.

TRADE FINANCE

In December 1984 the weighted average base rate used for setting minimum interest rates in the International Arrangement on Export Credits was 175 basis points lower than it had been the previous June. Consequently, on January 15, 1985, the following minimum interest rates took effect under the automatic adjustment mechanism installed in 1983:

Borrowing country category	Repayment term		
	2-5 yrs.	5-8.5 yrs.	8.5-10 yrs.
Relatively rich	12.0	12.25	NA
Intermediate	10.7	11.2	*11.2
Relatively poor	9.85	9.85	9.85

*Ten-year terms are permitted only for countries moving into this category in 1982.

In June 1985 the average base rate had not changed by a sufficiently large amount to trigger further changes in the Arrangement matrix. Hence the rates shown above prevailed through the end of the year. In December, however, the base rate had fallen by 105 basis points below the June level. The new matrix rates, which took effect as of January 15, 1986, therefore, were:

Borrowing country category	Repayment term		
	2-5 yrs.	5-8.5 yrs.	8.5-10 yrs.
Relatively rich	10.95	11.20	NA
Intermediate	9.65	10.15	*10.15
Relatively poor	8.8	8.8	8.8

*See previous footnote.

The principal developments in the field of official export credit policy in 1985 related to continuing U.S. efforts to negotiate tighter discipline over tied aid credits and negotiations on export financing guidelines for civil aircraft.

Tied Aid Credits: Intensive multilateral negotiations in the OECD, as well as bilateral consultations with the other principal export credit-granting countries in 1985, failed to yield as much progress as had been hoped on the tied aid credit issue. While most OECD countries agreed with the United States that tighter discipline was needed to prevent tied aid credits from being misused for commercial purposes, a few of the most frequent users objected to the U.S. proposal that the minimum grant element in such credits be raised from 20 to 50 percent.

At the annual OECD Ministerial meetings in April 1985, the Ministers did agree that the minimum grant element should be raised to 25 percent. They also adopted new notification and consultation procedures, and directed the OECD to devise further steps to improve both discipline and transparency. OECD countries implicitly recognized the trade and aid distortions arising from tied aid credits with low grant elements by requiring 20-day prior notification of tied aid credit offers with grant elements below 50 percent. While these were constructive developments, they were insufficient to prevent continued commercial misuse of tied or partially untied aid credits. No further action was possible in 1985.

The "War Chest": As a result, the President in his September 23 trade strategy speech called for creation of a "war chest" to combat predatory tied aid credit practices. As transmitted to Congress on September 27 by the Secretary of the Treasury, the Administration's legislative proposal called for establishment of a $300 million temporary tied aid fund administered by the Treasury Department in consultation with other NAC agencies. The fund would be used to provide grants to foreign purchasers of U.S. goods, in combination with standard export financing from the Export-Import Bank or commercial sources.

By targeting such financing at the export markets of countries which use tied or partially untied aid credits for commercial advantage, and which block progress toward a negotiated agreement to restrict these practices, the fund would assist U.S. efforts to negotiate increased discipline over tied aid credits. This facility would permit up to $2.5 – 3.0 billion in tied aid credit offers, which would likely result in about $1 billion of actual credit authorizations.

Pending congressional action on the proposal, Eximbank began to offer financing equivalent to that which would be provided from the "war chest". At a November press conference the Bank's Chairman announced the first six such offers, totaling more than $280 million, for export transactions with India, Malaysia, Algeria, Tunisia, and Brazil. The concessional component of these offers was to be funded from the "war chest" if it is authorized by Congress before contracts are awarded; otherwise, the concessional portion would be funded from Eximbank's own resources.

Aircraft Sector Agreements: On July 1, 1985, the United States and the European Community implemented an agreement setting guidelines for officially supported export financing for large commercial aircraft. This agreement eventually will be part of, and subject to the general provisions of, the Arrangement on Export Credits.

The aircraft agreement provides the option of offering either 10- or 12-year repayment terms. For 10-year loans denominated in dollars, the minimum interest rate will be equal to 10-year U.S. Treasury bond yields plus 120 basis points; for 12-year loans, the minimum will be 10-year bond yields plus 175 basis points. Similar minima will apply to loans denominated in pounds sterling, German marks, or French francs. The new minimum rates will be adjusted biweekly with changes in government bond yields. The agreement includes a prohibition against tied aid credits or other concessional financing.

Negotiations continued on a parallel agreement covering officially supported export credits for smaller aircraft.

EXPORT-IMPORT BANK ACTIVITIES

In FY 1985 the Export-Import Bank authorized over $679 million in direct loans and another $7,952 million in guarantees and insurance. This authorization level of over $8.63 billion was slightly higher than FY 1984's level of $8.61 billion, notwithstanding the difficult economic situation in major markets for U.S. products and the appreciation of the dollar, both of which inhibited U.S. exports. Exports supported by these authorizations are estimated to be worth $9.39 billion.

The exports supported by Eximbank amounted to approximately 4 percent of total U.S. exports. Most U.S. exports are sold on a cash or near cash basis, and commercial financing, against which Eximbank does not compete, is available for most of the remainder. There are instances, however, when Eximbank complements market financing by providing support when commercial bank or unsupported supplier self-financing is unavailable.

Eximbank continued to counter confirmed mixed credit offers in FY 85. An offer of 100 percent financing at 8.85 percent interest with a 12 year repayment term was offered for both boiler components and turbine generators in Thailand to counter French and Swedish mixed credit offers. While a decision on the Thai case was still pending at the end of the fiscal year, in another case, Brazil chose to accept the U.S. supplier for $44 million in hospital equipment. In the Brazilian case, Eximbank countered a mixed credit offer from the French by offering 62.3 percent financing at 11.2 percent interest and 22.7 percent financing at 4.46

percent for a blended rate of 9.44 percent with a ten-year repayment schedule. All NAC members concurred in these "mixed credit" offers, which did not involve the use of AID funds but were undertaken solely with Eximbank resources. In December 1984, AID and Eximbank agreed to implement a Trade Credit Insurance Program (TCIP). This program provides for up to $300 million in short-term insurance, guaranteed by AID, in support of non-military U.S. exports of goods and services for use by the private sector in Central American countries. To date, AID allocations under the program are: Belize ($5 million); Costa Rica ($100 million); Guatemala ($25 million); Honduras ($50 million); and El Salvador ($75 million). As of September 30, 1985, FCIA insurance coverage under this program amounted to a total of $125 million to Honduras, Costa Rica, and El Salvador.

TABLE 8.–*Summary of Eximbank authorizations by product group, all programs*

[Thousands of dollars]

Product group	Export value	Authorized amount
Agriculture	482,776	466,971
Communication	384,814	336,188
Construction	869,991	490,422
Electric Power	348,394	299,331
Manufacturing	213,832	191,135
Mining & Refining	827,200	759,555
Transportation	1,014,177	742,407
Misc. Credits	5,263,888	5,067.761
Misc. Products	159,742	155,253
Grand Total	9,564,813	8,509,023

Source: Export-Import Bank.

AGRICULTURAL EXPORT CREDIT SALES PROGRAMS

CCC Commercial Export Financing Programs

The Agriculture Department's Commodity Credit Corporation (CCC) is authorized under the CCC Charter Act and related legislation to develop and administer programs expanding U.S. agricultural export markets. For FY 1985, this activity centered on the Export Credit Guarantee Program (GSM-102), which was authorized $5.0 billion to maintain, develop, and expand commercial markets for U.S. agricultural exports.

Allocations under this CCC program totalled $4.485 billion in FY 1985. Major countries using the program included Mexico, Iraq, Brazil, Korea, Portugal, and Egypt. Under GSM-102, importers purchased bulk commodities such as wheat, feed grains, cotton and protein meals, as well as specialty products like planting seeds, poultry parts, and canned fruit.

Another export credit tool, the Blended Credit Program, was suspended during FY 1985 after a lawsuit filed by the U.S. maritime industry resulted in a court decision applying U.S. cargo preference requirements to the program. As a result, no new blended credits were extended during the fiscal year.

How GSM-102 Works: The CCC Export Credit Guarantee Program (GSM-102) was introduced in September 1980. Through the program, U.S. agricultural exporters receive guarantees on private financing of agricultural commodity exports with credit terms of up to 3 years. This protects them against all political and commercial risk. The transactions must be covered by an irrevocable letter of credit issued by a CCC-approved bank located in the importing country. U.S. exporters may assign the guarantee to a U.S. bank or some other U.S. financial institution which provides the financing. Actual sales registered under the GSM-102 program for FY 1985 totalled just over $2.5 billion, or about half the original authorization level.

Public Law 480 Program Activities

Title I and III: P.L. 480 Title I/III agreements signed during FY 1985 were valued at $1.005 billion, covering approximately 5.2 million metric tons of U.S. commodity exports. Of the agreements signed during this period, convertible local currency sales agreements (including Title III) comprised 82.5 percent of the total value of P.L. 480 agreements.

In dollar values, the five leading P.L. 480 countries were Egypt ($225 million); Bangladesh ($94.5 million); Sudan ($64.5 million); Pakistan ($59 million); and Morocco ($55 million). Multi-year Title III agreements or amendments to existing agreements were signed with Bangladesh, Haiti, and Honduras.

Commodities programed in FY 1985 included wheat and wheat flour, rice, vegetable oil, corn and sorghum, cotton, and tallow. Wheat and wheat flour accounted for approximately 82 percent of total quantity (4.3 million metric tons). Rice constituted 8.5 percent of total quantity (445,000 metric tons), and feed grains (corn and sorghum), made up 3.7 percent (194,000 metric tons). Vegetable oil accounted for 3.5 percent (187,500 metric tons). An additional 44,000 metric tons of tallow and some 68,000 bales of cotton were programed.

Title II: Under the Title II (donations) portion of P.L. 480 programs, commodity shipments totalled 2.7 million metric tons in FY 1985 with an estimated value (including ocean transportation) of $1.06 billion. Feed grains and their products comprised approximately one-half of the total amount shipped under Title II. Wheat and wheat products represented another one-third of all commodities shipped. Other commodities donated were vegetable oil, nonfat dry milk, butter, cheese, rice, raisins, peas, and beans.

Title II shipments proved especially large in FY 1985 because of drought in Africa. In response to this crisis, the Congress appropriated supplemental Title II funds totalling $400 million, allowing the shipment of an additional 1.5 million metric tons of food to Ethiopia and other Sahelian nations.

Additional data on P.L. 480 transactions may be found in section K of the Statistical Appendix to this report.

V. FOREIGN INDEBTEDNESS TO THE U.S. GOVERNMENT

DEBT REPORTS AND INFORMATION ON FOREIGN CREDITS

The Treasury Department receives quarterly statements from all U.S. Government agencies on the long-term and short-term debts and accounts receivable owed to the U.S. Government by foreigners. Treasury also compiles information on debts in each category which are due and unpaid 90 days or more. These data are used as a basis for initiating the necessary steps to insure prompt collection of debts owed to the U.S. Government and its agencies by foreigners and to assist the Congress in its activities in this area.

FOREIGN INDEBTEDNESS TO THE U.S. GOVERNMENT

The total principal outstanding on post-World War II foreign indebtedness to the U.S. Government and its agencies amounted to approximately $71 billion (disbursed basis) as of December 31, 1984. Of this amount, $69 billion was owed on account of long-term credits (maturities of more than one year) and $2 billion constituted accounts receivable (maturities of less than 90 days) and short-term credits of up to one year. During the 12-month period from January 1 to December 31, 1984, the U.S. Government collected dollar repayments of about $6.8 billion in principal and interest due on long-term dollar credits and the equivalent of about $165 million in principal and interest due on long-term credits repayable in foreign currencies.

ARREARAGES ON FOREIGN INDEBTEDNESS TO THE U.S. GOVERNMENT

It is established U.S. policy that agencies should extend credits and loans to foreign borrowers with the explicit understanding that repayment will be made in accordance with the contractual terms and conditions agreed upon by the borrower at the time the loans and credits are authorized and signed. Since World War II, the majority of debts due to the U.S. Government from foreign borrowers has been paid on time. Of the total principal amount outstanding on long-term foreign indebtedness to the U.S. Government as of December 31, 1984 (excluding World War I debts), only 2.9 percent was due and unpaid 90 days or more (see table 9). However, of the $69 billion outstanding, up to $4.5 billion (or 6.5 percent) could represent indebtedness arising from deferred principal repayments and capitalization of interest arising from debt reorganizations agreed during 1971–84.

Arrearages on debt to the U.S. Government and its agencies increased by about $391 million during fiscal year 1985 to $3,481 million. By far the largest amounts constitute extraordinary political arrearages totaling $2,241 million (see table 10).

WORLD WAR I DEBTS

During and immediately after World War I, the Allied Powers borrowed approximately $10.4 billion from the U.S. Government. After deducting collections of $2.8 billion and adding unpaid interest charges (which now exceed the amount of the original principal), the outstanding foreign indebtedness to the United States on World War I accounts totaled approximately $28.2 billion as of September 30, 1985. Of this amount $27.6 billion represented delinquent debt payments. The largest among these due and unpaid accounts are with the United Kingdom ($12.8 billion); France ($9.1 billion); and Italy ($2.6 billion). In addition to these Allied debts, there is also outstanding German indebtedness to the United States of 5 billion Reichsmarks (approximately $2.2 billion at the rate of exchange at the time of default.)

These World War I debts present special problems. After the war, the U.S. Government collected about $1 billion on the initial Allied borrowings. Collection was, however, complicated by the financial disorders which prevailed during the early postwar period and the United States eventually concluded debt rescheduling agreements with most of the debtor countries during the period 1923 to 1930. Most of these countries complied with their obligations under the rescheduling agreements until 1933-34 and since then most debtor governments have not made any payments on these debts. Total collections under the rescheduling agreements amounted to about $2.8 billion as of September 30, 1985.

Except for the Soviet Union (which, in January 1918, repudiated all foreign debt incurred during the Czarist regime), the principal debtor governments have never denied the legal validity of these debts. As a practical matter, however, repayment of these debts is inextricably linked to the problem of German reparations and intra-European debts generated during World War I. Many European countries are net creditors on World I accounts, with Germany owing more to them than they in turn owe to other countries. Since the early 1930's these countries have steadfastly maintained that they would resume payments on their war debts to the United States only when the issue of Germany's World War I reparations has been satisfactorily resolved. While the United States has never recognized any legal connection between World War I debt obligations owed to this country and reparation claims on Germany, there is a linkage in reality.

Under the 1953 London Agreement on German external debts (to which the United States is party), resolution of the problem of intergovernment claims against Germany arising from World War I was deferred "until a final general settlement of this matter." This agreement was ratified by the U.S. Senate and has the status of a treaty.

U.S. GOVERNMENT POLICY ON DEBT RESCHEDULING

U.S. policy on debt rescheduling, set forth in a January 1978 decision ("Action") of the National Advisory Council on International Monetary and Financial Policies, is as follows:

TABLE 9.–*Arrearages on long-term U.S. Government foreign credits extended during and since World War II, as of Dec. 31, 1984*

[Millions of dollars and equivalents]

			Foreign Assistance Activities					Arrearages as percent of–	
				Foreign Assistance Acts					
	War connected activities[1]	Export financing[2]	Public Law 480 programs	Country loans	Financing military purchases	Other[3]	Total	Credits utilized	Principal outstanding
Credits utilized	5,349	53,049	18,136	25,924	25,542	6,876	134,875	.....	.....
Repaid[4]	4,485	34,861	6,570	7,183	6,832	4,684	64,614	.....	.....
Adjustments (net deductions)[5]	8	46	1,799	60	.....	20	1,932	.....	.....
Principal outstanding	1,161	18,278	9,742	18,681	18,710	2,470	69,040	.....	.....
Arrearages:									
On principal	75	864	71	110	38	.....	1,158	0.9	1.7
On interest	61	374	84	81	190	.....	790	0.6	1.1
Subtotal[6]	136	1,238	154	190	228	1	1,948	1.4	2.8
Other[7]	.....	55	.....	.....	.....	.....	55	(8)	0.1
Total	136	1,293	154	190	228	1	2,003	1.5	2.9

[1] Includes lend-lease and overseas surplus property sales.

[2] Includes Export-Import Bank and Commodity Credit Corporation General Sales Manager programs.

[3] Includes activity under Foreign Assistance Act and related programs. Activity for programs other than those explicitly shown (country loans and for financing military purchases) is included in "Other"; see table A-2 in the Statistical Appendix.

[4] Includes repayments of $743 million on credits outstanding on July 1, 1945, and not included in "Credits utilized," above.

[5] Includes write-offs of principal, revaluation of indebtedness repayable in foreign currencies, and adjustments to outstanding principal for discount allowances for extraordinary prepayments.

[6] Table A-10 in the Statistical Appendix includes principal and interest payments due and not paid 90 days or more on long-term indebtedness on Dec. 31, 1984, totaling $1,948 million. This excludes $54.6 million of Chinese principal and interests due for assets left on the Asian continent, for which Export-Import Bank has deferred from pressing.

[7] For the purpose of the present debt review, the NAC has also included that portion of debt to Export-Import Bank ($54.6 million) referred to in footnote 6, above.

[8] Less than 0.05 percent.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

TABLE 10.–*Arrearages of 90 days or more on foreign loans and credits of U.S. Government agencies*

[Millions of dollars]

	Sept. 30, 1985	Sept. 30, 1984
I. Extraordinary political arrearages		
A. Long-term, of which:		
1. Cambodia	48.8	38.1
2. China (unspecified)[1]	96.7	96.5
3. Cuba	87.0	85.2
4. Ethiopia	4.6	4.6
5. Iran	118.6	114.0
6. Nicaragua	49.5	42.1
7. Poland	637.8	627.0
8. Vietnam	37.0	32.1
B. Short-term and accounts receivable of which:		
1. China (Unspecified)[1]	20.2	20.2
2. Cuba	4.6	3.2
3. Ethiopia	.8	.7
4. Iran	5.3	3.5
5. Nicaragua	5.8	5.2
6. Poland[2]	924.4	892.1
7. Unresolved Korean War logistical support	199.9	199.9
Total Political	2,241.1	2,164.4
(Percent of overall total)	(64%)	(70%)
II. Major arrearages – Public, long-term ($5 mil. or over, or being rescheduled)		
1. Argentina	106.1	50.7
2. Bangladesh	12.7	......
3. Bolivia	18.8	14.8
4. Brazil	107.4	236.8
5. Central African Republic	......	......
6. Chile	......	......
7. Cameroon	5.2	......
8. Costa Rica	13.9	4.1
9. Dominican Republic	35.2	20.3
10. Ecuador	4.3	r .6
11. Guyana	14.0	9.5
12. Ivory Coast	7.0	6.7
13. Jamaica	3.5	24.2
14. Liberia	.1	3.1
15. Madagascar	.1	r ......
16. Morocco	25.8	8.5
17. Mozambique	8.8	4.2
18. Niger	.1	......
19. Panama	......	......
20. Peru	35.8	11.9
21. Sierra Leone	.5	.2
22. Sudan	6.6	4.2
23. Syria	10.3	......
24. Tanzania	14.9	7.6
25. Yugoslavia	24.2	40.4
26. Zaire	20.8	......
27. Zambia	5.2	5.2
Total major arrearages	481.4	r 453.0
(Percent of overall total)	(14%)	(15%)
III. Other arrearages		
A. Public:		
1. Long-term	23.2	r 20.6
2. Short-term and accounts receivable, of which	613.6	325.7
Logistical Support, & M.A.A.G.	440.4	123.0
Postal Service	23.8	31.9
Other	149.4	170.8

TABLE 10. – *Arrearages of 90 days or more on foreign loans and credits of U.S. Government agencies* – Continued

[Millions of dollars]

	Sept. 30, 1985	Sept. 30, 1984
B. Private:		
1. Long-term	82.4	121.9
2. Short-term and accounts receivable	39.4	4.6
Total other arrearages	758.6	r 472.9
(Percent of overall total)	(22%)	(15%)
Overall total – Groups I, II, and III	3,481.4 (100%)	3,090.6 (100%)

NOTES: Excludes World War I indebtedness. Items may not add to totals due to rounding. r = revised data. ...... = did not satisfy criteria.

[1] Refers to obligations incurred by China prior to 1949 whose status is currently under review. Does not include $55.3 million of principal and assets left on the Asian continent which were financed by the Export-Import Bank and on which the Export-Import Bank has deferred action.

[2] Includes claims assumed (subrogated claims) by the Commodity Credit Corporation in its Guarantee operations.

Source: Treasury Department.

"1. Debt-service payments on international debt should be reorganized on a case-by-case basis and only in extraordinary circumstances where reorganization is necessary to insure repayment. Debt relief should not be given as a form of development assistance.

"2. Debt-service payments on loans extended or guaranteed by the U.S. Government to foreign governments will normally only be reorganized in the framework of a multilateral creditor club agreement.

"3. When a reorganization involving government credit or government-guaranteed credits takes place, the United States will participate only if:

"(a) the reorganization agreement incorporates the principle of non-discrimination among creditor countries, including those that are not party to the agreement;

"(b) the debtor country agrees to make all reasonable efforts to reorganize unguaranteed private credits falling due in the period of the reorganization on terms comparable to those covering government or government-guaranteed credits;

"(c) the debtor country agrees to implement an economic program designed to respond to the underlying conditions and to overcome the deficiencies which led to the need for reorganizing debt-service payments.

"4. The amounts of principal and interest to be reorganized should be agreed upon after a thorough analysis of the economic situation and the balance of payments prospects of the debtor country.

"5. The payments that are reorganized normally should be limited to payments in arrears and payments falling due not more than 1 year following the reorganization negotiations."

DEBT RESCHEDULING DURING FISCAL YEAR 1985

Mozambique

On October 25, 1984, representatives of Mozambique and eleven of its official creditors agreed in Paris to reschedule 95 percent of debt service due between July 1, 1984 and June 30, 1985 on debt contracted before February 1, 1984. The consolidated debt will be paid over five-and-one-half years beginning June 30, 1990. Five successive annual payments of 1 percent on the non-consolidated debt are due over five years starting June 30, 1985.

Niger

Representatives of Niger and five of its official creditors agreed in Paris on November 30, 1984 to reschedule 90 percent of principal and 50 percent of interest due between October 1, 1984 and November 30, 1985 on debt contracted prior to July 1, 1983. The consolidated debt is to be repaid in semi-annual installments over four-and-one half years starting November 1, 1990. The remaining 10 percent of principal and 50 percent of interest will be repaid as follows: 5.0 percent of principal and 25 percent of interest are due as scheduled, and the rest on July 31, 1986. Arrears as of September 30, 1984 were to be paid no later than February 28, 1985. Niger and the U.S. Government signed the bilateral agreement April 9, 1985.

Liberia

The Government of Liberia and seven of its official creditors agreed in Paris on December 17, 1984 to consolidate 90 percent of debt service falling due between July 1, 1984 and June 30, 1985 on debt contracted prior to January 1, 1983. Payment of the consolidated debt will be made in semi-annual installments over a period of four-and-one-half years with the first payment due on June 30, 1990. The remaining 10 percent is to be paid in four equal annual installments beginning June 30, 1985. A bilateral agreement on the terms of this arrangement was signed May 3, 1985.

Philippines

Fifteen creditors and the Government of the Philippines agreed in Paris on December 20, 1984 to consolidate 100 percent of principal and 60 percent of interest due from January 1, 1985 to June 30, 1986 on debt contracted before April 1, 1984. Payment of the consolidated debt will be made in semi-annual installments over a period of four-and-one-half years starting March 15, 1991. The non-consolidated interest will be paid as follows: one-third on July 1, 1986, one-third on September 15, 1986 and one-third on September 15, 1987. Arrears outstanding as of December 31, 1984 are due as follows: 25 percent on June 15, 1985 and December 15, 1985, and 50 percent on June 15, 1986. A bilateral agreement on the terms of this arrangement was signed July 29, 1985.

Argentina

The Government of Argentina and sixteen official creditors met in Paris on January 15 and 16, 1985 to reschedule 90 percent of debt service due between January 1, 1985 and December 31, 1985 on debt contracted before December 10, 1983. The consolidated debt will be paid in 10 equal semi-annual payments over a period of four-and-one-half years beginning January 1, 1991. The first payment of non-consolidated debt is due February 1, 1986 and thereafter in four annual installments starting January 1, 1987. Repayment of arrears on debt outstanding as of December 31, 1984 is as follows: 12.5 percent on February 1, 1986, 4.2 percent on August 1, 1986, 4.2 percent on February 1, 1987, 4.2 on August 1, 1987, and the remaining 75 percent in 10 equal and semi-annual installments starting August 1, 1988.

Senegal

Eleven of Senegal's principal official creditors met in Paris on January 17 and 18, 1985 and agreed to reschedule 95 percent of debt service falling due between January 1, 1985 and June 30, 1986 on debt contracted before January 1, 1983. The consolidated debt is to be repaid over a period of four-and-one-half years in semi-annual installments starting March 31, 1990. The non-consolidated portion will be paid in four equal annual installments starting July 31, 1986. Arrears outstanding as of December 31, 1984 are due as follows: 5 percent due on July 31, 1986; 5 percent of July 31, 1987; and the remaining 90 percent due in five successive semi-annual installments beginning January 31, 1988. A bilateral agreement between the U.S. Government and Senegal was signed June 5, 1985.

Somalia

Representatives of the Government of Somalia and five creditor governments agreed in Paris on March 4-6, 1985 to reschedule 95 percent of long-term maturities falling due between January 1, 1985 and December 31, 1985 on debt contracted before October 1, 1984. Consolidated debt will be paid in 10 semi-annual installments over four-and-one-half years beginning January 1, 1991. The remaining 5 percent will be paid in four equal annual installments starting July 1, 1986. Repayment of short-term arrears outstanding as of December 31, 1984 (none to the United States) is to be made in 7 equal and semi-annual payments starting January 1, 1986 and continuing through January 1, 1989. The bilateral agreement between the U.S. Government and Somalia was signed May 9, 1985.

Costa Rica

Ten of Costa Rica's official creditors agreed in Paris on April 22, 1985 to reschedule 90 percent of debt service falling due between January 1, 1985 and March 31, 1986 on debt contracted before July 1, 1982. Repayment of consolidated debt will be over four and one-half-years with 5 years grace period.

The 10 percent non-consolidated debt repayments fall due as follows: 2 percent June 1, 1986, and 4 percent June 1, 1987 and June 1, 1988. Ninety percent of outstanding arrears as of December 31, 1984 are to be paid in 10 equal, semi-annual payments starting February 15, 1989 and continuing through August 15, 1993. The remaining arrears will be paid as follows: 3 percent on September 30, 1985 and December 31, 1985 and 4 percent on July 31, 1986. The bilateral agreement was signed December 16, 1985.

Ecuador

The Government of Ecuador and thirteen official creditors agreed in Paris on April 23 and 24, 1985 to a multi-year rescheduling of principal only coming due 1985-87 on debt contracted before January 1, 1983. Payment of interest and all non-consolidated principal during this period will be made according to the original schedule. Interest already due in 1985 and not paid was to be paid by June 30, 1985, while interest outstanding as of December 31, 1984 was due by September 30, 1985. The creditors agreed to rescheduled 100 percent of principal falling due between January 1, 1985 and December 31, 1985. Repayments will be in 10 equal semi-annual installments, beginning January 1, 1989 and ending July 1, 1993. The creditors also agreed to reschedule 85 percent of principal falling due between January 1, 1986 and December 31, 1986, with repayment starting January 1, 1990 and ending July 1, 1994 in 10 equal semi-annual amounts. Finally, the creditors agreed to reschedule 70 percent of principal falling due between January 1, 1987 and December 31, 1987, with repayment beginning January 1, 1991 and ending July 1, 1995, in 10 semi-annual amounts. One hundred percent of principal arrears due on December 31, 1984 was also rescheduled. Repayment will be made in 10 equal semi-annual amounts starting January 1, 1988.

The rescheduling arrangement is structured in three phases. The first took effect upon signature of the Paris Club Agreed Minute and will extend through May 31, 1986. The second, to begin on June 1, 1986, and extend through May 31, 1987, will take effect only if Ecuador has an IMF upper credit tranche arrangement in place expiring not sooner than March 10, 1987 and has complied with all other provisions of the Agreed Minute and corresponding bilateral agreements. The third phase, to run from June 1, 1987, through the end of that year, will take effect if Ecuador has an IMF upper credit tranche arrangement expiring no sooner than December 31, 1987. However, at the creditors' option, this third phase could take effect if Ecuador has set forth in the process of consultation with the IMF an economic program that the creditors found to be comprehensive and satisfactory, including quantitative quarterly targets and limits and covering that same period. The bilateral was signed on January 14, 1986.

Mauritania

On April 26 and 27, 1986, the Government of Mauritania and eight creditors met in Paris and agreed to reschedule 90 percent of debt service owed between January 1, 1986 and March 31, 1986, on debt contracted before December 31, 1984. Repayment of consolidated debt begins January 1, 1990 and covers four-and-one-half years. The remaining 10 percent will be paid in four equal annual amounts beginning March 31, 1986. Also rescheduled was 90 percent of arrears outstanding as of December 31, 1984, with repayments covering three-and-one-half years in equal semi-annual payments beginning on January 1, 1989, the rest will be paid in three equal annual amounts on March 31, 1986-1988. The bilateral agreement was signed August 15, 19865.

Dominican Republic

Seven creditors agreed in Paris on May 21, 1985 to reschedule 90 percent of debt contracted before June 30, 1984 and falling due from January 1, 1985 to April 1, 1986. Repayment of consolidated debt starts February 15, 1991 and covers four-and-one half years of equal semi-annual payments. The remaining 10 percent of non-consolidated debt is to be paid in four equal annual installments of 2.5 percent beginning June 30, 1986. Arrears outstanding as of December 31, 1984 will be repaid as follows: 13.5 percent due on December 31, 1985, 11.5 percent due on December 31, 1986, and the remaining 75 percent due in 4 equal annual amounts December 31, 1987 through December 1990. The bilateral agreement was signed March 6, 1986.

Madagascar

Thirteen official creditors agreed on May 21 and 22, 1985 to consolidate 100 percent of debt service coming due between January 1, 1985 and March 31, 1986 on debt contracted prior to July 1, 1983 and not previously rescheduled. Also rescheduled were 100 percent of principal and interest payments (excluding late charges), coming due during the consolidation period as a result of prior rescheduling agreements in 1981 and 1982, in which the United States was not involved. Repayment on such debt will be made in 12 semi-annual payments beginning February 15, 1991. The bilateral agreement was signed October 8, 1985.

Yugoslavia

Sixteen official creditors agreed in Paris on May 24, 1985, to consolidate 90 percent of principal due from January 1, 1985, to May 15, 1986, on debt contacted prior to December 2, 1982. Repayments are to be made over a four-and-one-half year period, starting March 1, 1990. The non-consolidated principal is due on original schedule, with outstanding arrears on such principal as of December 31, 1984, due by July 31, 1985. The Government of Yugoslavia signed an implementing agreement with the Export-Import Bank on January 16, 1986.

Togo

The Togolese Government agreed with eight governments in Paris on June 24, 1985 to reschedule 95 percent of debt service falling due between May 1, 1985 and April 30, 1986 on debt contracted before January 1, 1983. The consolidated debt is due over a five-and-one-half year period starting May 1, 1991. One-fifth of the remaining five percent along with all arrears were to be paid no later than September 30, 1985, and the remaining four-fifths were to be repaid in 4 equal annual amounts beginning September 30, 1986. Debt to the U.S. Government was not affected by this rescheduling, so there will be no bilateral agreement.

Ivory Coast

Representatives of the Ivory Coast and twelve creditors met in Paris on June 25, 1985 and agreed to consolidate 100 percent of principal and 50 percent of interest due from January 1, 1985 to December 31, 1985 on debt contracted prior to July 1, 1983. Repayments are to be made semi-annually over four-and-one-half years starting December 31, 1989. Non-consolidated interest is due on schedule, except that the Ivory Coast was given until September 15, 1985 to repay 50 percent of the interest due and unpaid in the period from January 1, 1985 through June 25, 1985. The bilateral was signed on January 31, 1986.

Poland

Seventeen creditors and the Government of Poland agreed in Paris on July 15, 1985 to consolidate 100 percent of debt service falling due from January 1, 1982 to December 31, 1984 on debt contracted before January 1, 1984. Also rescheduled were unpaid late interest charges outstanding as of December 31, 1984. Repayments of rescheduled debt will be made semi-annually starting January 1, 1990. The consolidation interest due in 1985 on the rescheduled debt was deferred as follows: 50 percent due on December 31, 1985, and the rest due in four equal annual amounts beginning on December 31, 1986.

Chile

Eight official creditors agreed on July 17, 1985 to reschedule 65 percent of the amount of Chile's principal coming due between July 1, 1985 and December 31, 1986 on debt contracted prior to January 1, 1985. Repayment of consolidated debt begins on September 30, 1989, and will be made in semi-annual amounts over a three-and-one-half year period. The 35 percent non-consolidated principal and all interest are due on original scheduled. The bilateral was signed on February 6, 1986.

Cuba

On July 18, 1985, the Government of Cuba and ten creditors, met in Paris and agreed to consolidate 100 percent of principal only due between January 1, 1985 and December 31, 1985, on debt contracted between January 1, 1970 and September 1, 1982. Rescheduled principal is to be repaid over a four year period starting July 1, 1991, while all interest payments are due on schedule. The United States was not a party to this rescheduling.

Jamaica

On July 19, 1985, an agreement was reached in Paris with eight creditors and the Government of Jamaica to reschedule 100 percent of principal and 50 percent of interest, coming due between April 1, 1985 and March 31, 1986, on debt contracted prior to October 1, 1983. Starting March 31, 1990, consolidated debt will be repaid in twelve equal semi-annual installments. The non-consolidated interest is due on schedule. All arrears outstanding as of March 31, 1985 were to be repaid no later than September 30, 1985. The bilateral agreement was signed September 26, 1985.

Equatorial Guinea

On July 23, 1985, the Government of Equatorial Guinea and three creditors met in Paris and agreed to rescheduled 100 percent of debt service falling due between January 1, 1985 and June 30, 1986, on debt contracted before July 1, 1984. Ninety-five percent of outstanding arrears as of December 31, 1984, were also rescheduled. All consolidated debt is to be repaid over a four-and-one-half year period starting January 1, 1991. The nonconsolidated arrears are to be repaid in 5 equal annual amounts of 1 percent beginning January 1, 1986, through January 1, 1990. The United States is not a creditor in Equatorial Guinea and did not participate in this rescheduling.

Morocco

The Government of Morocco and eleven official creditors met in Paris on September 17, 1985 and agreed to reschedule 90 percent of debt service due form September 1, 1985, to February 28, 1987, on debt contracted prior to May 1, 1983. Repayment of consolidated debt starts December 1, 1990 and covers four-and-one-half years. The 10 percent non-consolidated debt is to be repaid as follows: 2.5 percent on original schedule; 5.0 percent on February 28, 1987; and 2.5 percent on February 28, 1988. Also rescheduled were outstanding arrears as of August 31, 1985. Repayments on 90 percent of these arrears will be made over a period of three years beginning September 1, 1989. The remaining 10 percent is to be repaid as follows: 2.5 percent by September 30, 1985; 2.5 percent on December 31, 1985; and 5.0 percent December 31, 1986. The bilateral was signed on December 23, 1985.

Zaire

On September 18, 1985, representatives of the Government of Zaire and eleven creditor nations met in Paris and signed a rescheduling agreement on debt contracted before June 30, 1983. The agreement covers debt service not previously rescheduled as well as payments due under the 1976, 1977 and 1979 and 1981 rescheduling agreements. The creditors agreed to defer payment of 95 percent of debt service (excluding interest charges on late payments) falling due between January 1, 1985 and March 31, 1986. The debt is to be repaid over a four-and-one-half year period beginning February 15, 1991. Payment of the non-consolidated debt will be made in the amounts of 2.5 percent on March 31, 1986 and January 31, 1987. The bilateral agreement was signed on December 3, 1985.

Panama

The Government of Panama and seven official creditors agreed in Paris on September 19, 1985, to reschedule 50 percent of principal on debt contracted before January 1, 1985, and due between September 15, 1985 and December 31, 1986. No interest was rescheduled. The consolidated debt is to be repaid in 10 equal semi-annual amounts over four-and-one-half years starting November 1, 1989. The remaining 50 percent of non-consolidated principal will be repaid as follows: the amount due from September 15, 1985 to December 31, 1985 will be repaid not later than April 30, 1986, while the amount coming due between January 1, 1986 and December 31, 1986 will be repaid on schedule.

ROLE OF THE NATIONAL ADVISORY COUNCIL

The National Advisory Council has standarized U.S. Government procedures for collecting foreign debt arrearages. According to these procedures, primary responsibility for debt collections resides with the creditor agency. When the efforts of the creditor agency prove unsuccessful, however, that agency may request collection assistance from the Department of State. If, in turn, State Department efforts are not successful, the National Advisory Council reviews the particular case and recommends further actions–such as deferral or disapproval of U.S. Government loans and credits to countries with long-standing arrearage problems and/or deferral or negative U.S. votes on proposed loans and credits by the multilateral development lending institutions (MDBs) of which the United States is a member–as may be appropriate.

The National Advisory Council coordinates U.S. Government positions for use in specific debt rescheduling negotiations and for other debt-related issues.

The Council also plays an important oversight and coordination role in the identification and collection of delinquent debts owed to the U.S. Government. The status of arrearages and delinquencies on indebtedness to the United States by countries for which loans and other transactions are being considered is reviewed in detail at the weekly National Advisory Council Staff Committee sessions. At these meetings the Council agencies review and make recommendations on proposed loans by U.S. Government agencies and the IMF. An NAC Working Group on foreign debt arrearages also helps to coordinate activities under the Government-wide standard collection procedure and advises the National Advisory Council Staff Committee on significant collection problems.

These NAC activities respond to the provisions of a Council Action of September 15, 1971, which states, inter alia, that: "The National Advisory Council believes that the existence of significant debt arrearages to the U.S. Government or its agencies is an important consideration in passing judgment on specific loan proposals. As a general policy, the Council recommends that loans to countries whose governments are in arrears 90 days or more on debts which they or their agencies owe to the U.S. Government or its agencies would be deferred, and where appropriate, disapproved. Exceptions to this general rule must be explicitly approved." Additional information on foreign indebtedness to the U.S. Government can be found in section A of the Statistical Appendix to this report.

APPENDIX A

ORGANIZATION, FUNCTIONS, AND OPERATIONS OF THE NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL POLICIES

Organization and Functions

The National Advisory Council on International Monetary and Financial Policies (NAC) is responsible for coordinating United States participation in the international financial institutions and the policies and practices of all agencies of the U.S. Government that make, or participate in making, foreign loans or that engage in foreign financial, exchange, or monetary transactions.

The NAC, created by the Bretton Woods Agreements Act of July 31, 1945, was abolished, as a statutory entity, under the terms of Executive Reorganization Plan No. 4 of 1965, which transferred its functions to the President of the United States. With a few changes in the Council's functions, Executive Orders No. 11238 (July 28, 1965) and No. 11269 (February 14, 1966) reestablished the NAC without any change in membership effective January 1, 1966. The reorganization arrangements authorized the Secretary of the Treasury to "instruct representatives of the United States to the international financial organizations" – a function with which the NAC, as a statutory entity, had previously been charged. Further changes in this instructing authority were made by Executive Order No. 12164 of September 29, 1979.

The texts of Executive Orders No. 11238 and No. 11269 as amended, together with relevant sections of the Bretton Woods Agreements Act and other legislation relating to the National Advisory Council are printed in this Appendix to the Council's Annual Report.

The NAC is an advisory body authorized, inter alia, to review proposed transactions and programs to the extent necessary or desirable to coordinate U.S. policies. The Council seeks to assure that, to the maximum extent possible, the operations of the international financial institutions, such as the World Bank, the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank and Fund are conducted in a manner consistent with U.S. policies and objectives and with the lending and other foreign financial activities of U.S. Government agencies.

The NAC formulates and reviews policies and programs for use by U.S. representatives to these institutions and provides advice to the Secretary of the Treasury, as U.S. Governor of the international financial institutions, on the policies and proposed transactions of the institutions. The NAC advises the Secretary of the Treasury on proposed actions by these institutions requiring United States approval on such subjects as the flotation of securities, increases in quotas and subscriptions, and changes in their Articles of Agreement. The NAC also renders advice on problems relating to the administration and management of the international financial institutions and is the mechanism utilized to provide the oversight required to assure that these institutions are efficiently fulfilling their functions and making effective use of the resources made available to them.

The members of the NAC, at the Principals' level, as of September 30, 1985, were as follows:

The Secretary of the Treasury, James A. Baker, III, *Chairman*
The Secretary of State, George P. Shultz.
The U.S. Trade Representative, Clayton Yeutter.
The Secretary of Commerce, Malcolm Baldrige.
The Chairman of the Board of Governors of the Federal Reserve System, Paul A. Volcker.
The President and Chairman of the Board of Directors of the Export-Import Bank of the United States, William H. Draper III.

The Director of the International Development Cooperation Agency, M. Peter McPherson.

The NAC is served by a Committee of Alternates, at the Assistant Secretary level, empowered to act for their Principals. By agreement, the following were serving as NAC Alternates as of September 30, 1985:

David C. Mulford, Assistant Secretary of the Treasury for International Affairs.

Douglas McMinn, Assistant Secretary of State for Economic and Business Affairs.

Harvey E. Bale, Jr. Assistant U.S. Trade Representative.

H.P. Goldfield, Deputy Assistant Secretary of Commerce.

Henry C. Wallich, Member, Board of Governors of the Federal Reserve System.

Albert H. Hamilton, Government Affairs Officer, Export-Import Bank of the United States.

Richard A. Derham, Assistant Administrator, International Development Cooperation Agency.

The NAC operates mainly through a Staff Committee, comprising economists and other professional members of NAC agencies, which meets once a week throughout the year to review international monetary and financial transactions within the NAC's areas of responsibility. The bulk of the day-to-day work of the NAC is conducted by this Staff Committee at its regular Tuesday afternoon meetings. Representatives of other agencies of the U.S. Government, such as the Departments of Defense and Agriculture, and representatives of the National Security Council, the Council of Economic Advisers and the Office of Management and Budget also participate in the work of the NAC. The NAC utilizes ad hoc working groups to consider particular issues and report recommendations to the NAC Alternates or to the Staff Committee.

U.S. representatives to the international financial institutions and their staffs participate in the work of the NAC on a regular basis. They were, at the end of the period covered by this Annual Report of the Council:

U.S. Executive Director of the International Monetary Fund, Charles H. Dallara (Alternate, Mary K. Bush).

U.S. Executive Director of the International Bank for Reconstruction and Development and of the International Development Association and U.S. Director of the International Finance Corporation, *Vacant* (Hugh W. Foster, Alternate).

U.S. Executive Director of the Inter-American Development Bank, Jose Manuel Casanova (Alternate, *Vacant.*)

U.S. Director of the Asian Development Bank, Joe O'Neal Rogers (William R. Thomson, Alternate).

U.S. Director of the African Development Bank and Fund, *Vacant* (Ethel R. McKoy, Alternate).

The offices of the U.S. Director of the Asian Development Bank and of the U.S. Director of the African Development Bank and Fund are located in Manila, the Philippines and Abidjan, Ivory Coast, respectively. NAC consultations and coordination with these officers are carried out by cable, letter, and telephone.

Robert S. Watson (Treasury) is the Secretary of the NAC and Chairman of the weekly meetings of the NAC Staff Committee. Michael O'Connor (Treasury) is Deputy Secretary of the NAC and Secretary of the NAC Staff Committee, and served as editor of this Annual Report of the Council.

Operations

Throughout its 40 year history the NAC has brought timely high-level inter-departmental focus to a wide spectrum of international financial and monetary policies and issues confronting the United States. The NAC maximizes the exchange of information and views among participating agencies necessary for the full consideration of policy options. Formal meetings of the Staff Committee are held weekly throughout the year. The NAC Alternates meet, formally and less frequently, on call. In addition to these structured meetings of the NAC, informal contact at all levels among member and participating NAC agencies is maintained on a regular and intensive basis throughout the year.

Through the Office of the Secretary of the NAC, which is staffed by Treasury Department personnel, documents and memoranda pertaining to the work of the NAC are received from, and circulated to, the various participating agencies. Each agency assigns professional staff personnel to the work of scrutinizing the documentation associated with each proposal in the light of that agency's particular responsibilities and interests.

Following analysis and discussion of each pending proposal, the NAC normally takes a poll of member agencies to determine the consensus position, which is recorded in a document denominated as an NAC "Action." During fiscal year 1985 the NAC took 323 formal Actions on proposals and policy and program issues. In addition, many subjects were reviewed which did not require formal NAC Actions.

Pursuant to Presidential decisions relating to an administrative reorganization of U.S. development assistance programs announced on May 19, 1978, responsibility for reviewing the *development* aspects of proposed multilateral development bank loans and credits was transferred from the NAC to the Working Group on Multilateral Aid (WGMA) of the Subcommittee on Multilateral Aid (SMA) of the Development Coordination Committee (DCC), then chaired by the Administrator of the Agency for International Development (AID). This shift became effective June 20, 1978, and has continued without change since the creation of the International Development Cooperation Agency (IDCA), effective October 1, 1979.

The Council seeks, where possible, unanimity of views. Nevertheless, split voting occurs. This may signal that a particular aspect of U.S. policy needs special review. It should be stressed, however, that in all cases, NAC Actions are taken on behalf of the Council Principals to ensure that appropriate policy-level attention is focused on the particular policy issues or proposals involved.

The NAC reports annually to the President and to the Congress on its activities. It also transmits special reports on such topics as proposed replenishments of the resources of the multilateral development banks, debt reschedulings, and other significant topics involving international monetary and financial affairs.

* * * * *

Executive Order No. 11238

JULY 28, 1965.

THE NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS

By virtue of the authority vested in me by Reorganization Plan No. 4 of 1965, and as President of the United States, it is ordered as follows:

SECTION 1. There is hereby established a new "National Advisory Council on International Monetary and Financial Problems." That Council shall have the same membership, functions, and status as the Council of the same name established by section 4 of the Bretton Woods Agreements Act (59 Stat. 512; 22 U.S.C. 286b) had immediately prior to the taking effect of Reorganization Plan No. 4 of 1965.

SEC. 2. This order shall be effective as of July 27, 1965, and together with the Council established by section 1, shall terminate on January 1, 1966, or on such earlier data as may hereafter by prescribed.*

LYNDON B. JOHNSON.

THE WHITE HOUSE.

* * * * *

Executive Order No. 11269, as Amended[1]

NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL POLICIES

By virtue of the authority vested in me by Reorganization Plan No. 4 of 1965 (30 F.R. 9535), and as President of the United States, it is ordered as follows:

SECTION 1. Establishment of Council. (a) There is hereby established the National Advisory Council on International Monetary and Financial Policies, hereinafter referred to as the Council.

(b) The Council shall be composed of the following members: The Secretary of the Treasury, who shall be the Chairman of the Council, the Secretary of State, the United States Trade Representative, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System, the Director of the International Development Cooperation Agency, and the President of the Export-Import Bank of Washington.

(c) Whenever matters within the jurisdiction of the Council may be of interest to Federal agencies not represented on the Council under section 1(b) of this order, the Chairman of the Council may consult with such agencies and may invite them to designate representatives to participate in meetings and deliberations of the Council.

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*See E.O. 11269, following.

[1] As amended by Executive Order 11334, March 7, 1967; Executive Order 11808, September 30, 1974; Executive Order 11975, March 7, 1977; Executive Order 11977, March 14, 1977; Executive Order 12164, September 29, 1979; and by Executive Order 12188, January 2, 1980.

SEC. 2. Functions of the Council. (a) Exclusive of the functions delegated by the provisions of section 3, below, and subject to the limitations contained in subsection (b) of this section, all of the functions which are now vested in the President in consequence of their transfer to him effected by the provisions of section 1(b) of Reorganization Plan No. 4 of 1965 are hereby delegated to the Council.

(b) The functions under sections 4(a) and 4(b)(3) of the Bretton Woods Agreement Act, including those made applicable to the International Finance Corporation, the Inter-American Development Bank, and the International Development Association (22 U.S.C. 286b (a) and (b)(3); 283b; 284b), to the extent that such functions consist of coordination of policies, are hereby delegated to the Council. The functions so delegated shall be deemed to include the authority to review proposed individual loan, financial, exchange, or monetary transactions to the extent necessary or desirable to effectuate the coordination of policies.

(c) The Council shall perform with respect to the Asian Development Bank and African Development Fund, the same functions as those delegated to it by subsections (a) and (b) of this section with respect to other international financial institutions.

SEC. 3. Functions of the Secretary of the Treasury. (a) Functions which are now vested in the President in consequence of their transfer to him effected by the provisions of Section 1(b) of Reorganization Plan No. 4 of 1965 are hereby delegated to the Secretary of the Treasury to the extent of the following:

(1) Authority, subject to the provisions of section 7 of this Order, to instruct representatives of the United States to international financial organizations.

(2) Authority provided for in section 4(b)(4) of the Bretton Woods Agreements Act (22 U.S.C. 286(b)(4)). Such authority, insofar as it relates to the development aspects of the International Bank for Reconstruction and Development shall be exercised subject to the provisions of section 7 of this Order.

(b) In carrying out the functions delegated to him by subsection (a) of this section the Secretary shall consult with the Council.

(c) Nothing in this Order shall be deemed to derogate from the responsibilities of the Secretary of State with respect to the foreign policy of the United States.

(d) The Secretary of the Treasury shall perform, with respect to the Asian Development Bank and African Development Fund, the same functions as those delegated to him by subsection (a) and (b) of this section with respect to other international financial institutions.

(e) The Secretary of the Treasury is hereby delegated the functions conferred upon the President by section 203(b) and section 207 of the Act of May 31, 1976 (90 Stat. 593 and 594, 22 U.S.C. 290g-1 and 290g-5), subject to the provisions of section 7 of this Order.

SEC. 4. Information. (a) All agencies and officers of the Government, including representatives of the United States to international financial organizations, (1) shall keep the Council or the Secretary of the Treasury, as the case may be, fully informed concerning the foreign loan, financial, exchange, and monetary transactions in which they engage or may engage or with respect to which they have other responsibility, and (2) shall provide the Council, the Director of the International Development Cooperation Agency, and the Secretary with such further information or data in their possession as the Council or the Secretary, as the case may be, may deem necessary to the appropriate discharge of the responsibilities of the Council, the Director of the International Development Cooperation Agency, and Secretary under sections 2 and 3 of this order, respectively.

(b) The Council shall from time to time transmit to all appropriate agencies and officers of the Government statements of the policies of the Council under this Order and such other information relating to the above-mentioned transactions or to the functions of the Council hereunder as the Council shall deem desirable.

SEC. 5. Executive Order No. 10033. Section 2(a) of Executive Order No. 10033 of February 8, 1949, is hereby amended by substituting for the name "National Advisory Council on the International Monetary and Financial Problems" the following: "National Advisory Council on International Monetary and Financial Policies.

SEC. 6. Effective date. The provisions of this Order shall be effective as of January 1, 1966.

SEC. 7. Functions of the Director of the International Development Cooperation Agency. As the principal international development advisor to the President, the Director of the International Development Cooperation Agency shall advise both the Secretary of the Treasury and the appropriate United States representatives to the

International Bank for Reconsideration and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the Asian Development Bank, and the African Development Fund on the development aspects of matters relating to those institutions and their activities.[2]

* * * * *

SECTIONS OF THE BRETTON WOODS AGREEMENTS ACT AS AMENDED RELATING TO THE NATIONAL ADVISORY COUNCIL

(59 Stat. 512; 22 U.S.C. 286b, 286k, 286k-1)

NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS

SEC. 4. (a) In order to coordinate the policies and operations of the representatives of the United States on the Fund and the Bank and of all agencies of the Government which make or participate in making foreign loans or which engage in foreign financial, exchange or monetary transactions, there is hereby established the National Advisory Council on International Monetary and Financial Problems (hereinafter referred to as the "Council"), consisting of the Secretary of the Treasury, as Chairman, the Secretary of State, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System, the President of the Export-Import Bank of Washington, and, during such period as the Foreign Operations Administration shall continue to exist, the Director of the Foreign Operations Administration (As amended by 62 stat. 137, 141; 65 Stat. 373, 378 68 Stat. 678.).[3]

(b)(1) The Council, after consultation with the representatives of the United States on the Fund and the Bank, shall recommend to the President general policy directives for the guidance of the representatives of the United States on the Fund and the Bank.

(2) The Council shall advise and consult with the President and the representatives of the United States on the Fund and the Bank on major problems arising in the administration of the Fund and the Bank.

(3) The Council shall coordinate, by consultation or otherwise, so far as is practicable, the policies and operations of the representatives of the United States on the Fund and the Bank, the Export-Import Bank of Washington and all other agencies of the Government to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transactions.

(4) Whenever, under the Articles of Agreement of the Fund or the Articles of Agreement of the Bank, the approval, consents, or agreement of the United States is required before an act may be done by the respective institutions, the decision as to whether such approval, consent, or agreement, shall be given or refused shall (to the extent such decision is not prohibited by section 5 of this act) be made by the Council, under the general direction of the President. No governor, executive director, or alternate representing the United States shall vote in favor of any waiver of condition under article V, section 4, or in favor of any declaration of the United States dollar as a scarce currency under article VII, section 3, of the Articles of Agreement of the Fund, without prior approval of the Council.

(5) The Council shall transmit to the President and the Congress an annual report with respect to the participation of the United States in the Fund and Bank.

(6) Each such report shall contain such data concerning the operations and policies of the Fund and Bank, such recommendations concerning the Fund and the Bank, and such other data and material as the Council may deem appropriate.

(7) The Council shall make such reports and recommendations to the President as he may from time to time request, or as the Council may consider necessary, to more effectively or efficiently accomplish the purposes of this Act or the purposes for which the Council is created.

(c) The representatives of the United States on the Fund and the Bank, and the Export-Import Bank of Washington (and all other agencies of the Government to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transactions) shall keep the Council fully informed of their activities and shall provide the Council with such further information or data in their possession as the Council may deem necessary to the appropriate discharge of its responsibilities under this Act.

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[2] Sec. 7 was added by Executive Order 12164, effective October 1, 1979.

[3] See section 4 of the IFC Act, section 4 of the IDB Act, section 4 of the IDA Act, all cited below.

FURTHER PROMOTION OF INTERNATIONAL ECONOMIC RELATIONS

SEC. 14. (a) In the realization that additional measures of international economic cooperation are necessary to facilitate the expansion and balanced growth of international trade and render most effective the operations of the Fund and the Bank, it is hereby declared to be the policy of the United States to seek to bring about further agreement and cooperation among nations and international bodies as soon as possible, on ways and means which will best reduce obstacles to and restrictions upon international trade, eliminate unfair trade practices, promote mutually advantageous commercial relations, and otherwise facilitate the expansion and balanced growth of international economic relations. In considering the policies of the Fund and the Bank, particularly in conducting exchange transactions, the Council and the United States representative on the Fund and the Bank shall give careful consideration to the progress which has been made in achieving such agreement and cooperation.

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SEC. 15. [For text, see below.]

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AMENDMENTS TO THE NATIONAL BANK ACT AND THE BRETTON WOODS AGREEMENTS ACT

(63 Stat. 298; 73 Stat. 299)

Paragraph 7 of section 8 of the National Bank Act, as amended (U.S.C., title 12, sec. 24) was amended by adding to the end thereof the following sentence: "The limitations and restrictions herein contained as to dealing in and underwriting investment securities shall not apply to obligations issued by the International Bank for Reconstruction and Development or the Inter-American Development Bank which are at the time eligible for purchase by a national bank for its own account: *Provided*, That no association shall hold obligations issued by either of said banks as a result of underwriting, dealing, or purchasing for its own account (and for this purpose obligations as to which it is under commitment shall be deemed to be held by it) in a total amount exceeding at any one time 10 per centum of its capital stock actually paid in and unimpaired and 10 per centum of its unimpaired surplus fund."

The Bretton Woods Agreements Act, as amended (U.S.C., title 22, secs. 286-286k), was amended by adding at the end thereof a new section to be numbered section 15 and to read as follows:

SEC. 15. (a) Any securities issued by International Bank for Reconstruction and Development (including any guaranty by the Bank, whether or not limited in scope), and any securities guaranteed by the Bank as to both principal and interest, shall be deemed to be exempted securities within the meaning of paragraph (a)(2) of section 3 of the Act of May 27, 1933, as amended (U.S.C., title 15, sec. 77c), and paragraph (a)(12) of section 3 of the Act of June 6, 1934, as amended (U.S.C., title 15, sec. 78c). The Bank shall file with the Securities and Exchange Commission such annual and other reports with regard to such securities as the Commission shall determine to be appropriate in view of the special character of the Bank and its operations and necessary in the public interest or for the protection of investors.[4]

"(b) The reports of the National Advisory Council provided for in section 4(a)(6)[5] of the Bretton Woods Agreements Act shall also cover and include the effectiveness of the provisions of section 15(a) of this Act and the exemption for securities issued by the Bank provided by section 8 of the National Bank Act in facilitating the operations of the Bank and the extent to which the operations of the Bank may assist in financing European recovery and the reconstruction and development of the economic resources of member countries of the Bank and the recommendations of the Council as to any modifications it may deem desirable in the provisions of this Act."[6]

REPORTING REQUIREMENT OF CHAPTER 3 OF PUBLIC LAW 91-599 (84 STAT. 1658), APPROVED DECEMBER 30, 1970

SEC. 31. Annual Report.

The National Advisory Council on International Monetary and Financial Policies shall include in its annual report to the Congress (1) a statement with respect to each loan approved and outstanding, made by the International Bank for

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[4] Substantially equivalent provisions regarding the securities issued by the Inter-American Development Bank in connection with the raising of funds for its ordinary capital resources were enacted in Public Law 86-147, section 11(a); 22 USCA 283h(a).

[5] So in original. Probably should read "section 4(b)(6)".

[6] Equivalent provisions with regard to the operations of the Inter-American Development Bank were enacted in Public Law 86-147, section 12; 22 USCA 283.

Reconstruction and Development, the International Development Association, the Inter-American Development Bank, and the Asian Development Bank, including an evaluation of new loans made by said organization and a progress report of the project covered by each loan, and a discussion of how each loan will benefit the people of the recipient country, and (2) a statement on steps taken jointly and individually by member countries of the Inter-American Development Bank to restrain their military expenditures, and to preserve and strengthen free and democratic institutions.

SUSPENSION OF RIGHT OF INTERNATIONAL BANK TO ISSUE SECURITIES UNDER SECTION 296k-1: REPORT OF SECURITIES AND EXCHANGE COMMISSION (22 U.S.C. 286k-2)

SEC. 3. The Securities and Exchange Commission, acting in consultation with the National Advisory Council on International Monetary and Financial Problems, is authorized to suspend the provisions of section 15(a) of the Bretton Woods Agreements Act at any time as to any or all securities issued or guaranteed by the Bank during the period of such suspension. The Commission shall include in its annual reports to Congress such information as it shall deem advisable with regard to the operations and effect of this act and in connection therewith shall include any views submitted for such purpose by any association of dealers registered with the Commission.[7]

SECTION OF THE INTERNATIONAL FINANCE CORPORATION ACT RELATING TO THE NATIONAL ADVISORY COUNCIL

(69 Stat. 669; 22 U.S.C. 282b)

SEC. 4. The provisions of section 4 of the Bretton Woods Agreements Act, as amended (22 U.S.C. 286b), shall apply with respect to the Corporation to the same extent as with respect to the International Bank for Reconstruction and Development. Reports with respect to the Corporation under paragraphs (5) and (6) of subsection (b) of section 4 of said Act, as amended, shall be included in the first report made thereunder after the establishment of the Corporation and in each succeeding report.

SECTION OF THE INTER-AMERICAN DEVELOPMENT BANK ACT RELATING TO THE NATIONAL ADVISORY COUNCIL

(73 Stat. 299; 22 U.S.C. 283b)

SEC. 4. The provisions of section 4 of the Bretton Woods Agreements Act, as amended (22 U.S.C. 286b), shall apply with respect to the Bank to the same extent as with respect to the International Bank for Reconstruction and Development and the International Monetary Fund. Reports with respect to the Bank under paragraphs (5) and (6) of subsection (b) of section 4 of said Act, as amended, shall be included in the first report made thereunder after the establishment of the Bank and in each succeeding report.

SECTION OF THE INTERNATIONAL DEVELOPMENT ASSOCIATION ACT RELATING TO THE NATIONAL ADVISORY COUNCIL

(74 Stat. 293; 22 U.S.C. 294)

SEC. 4. The provisions of section 4 of the Bretton Woods Agreements Act, as amended (22 U.S.C. 286b), shall apply with respect to the Association to the same extent as with respect to the International Bank for Reconstruction and Development and the International Monetary Fund. Reports with respect to the Association under paragraphs (5) and (6) of subsection (b) of section 4 of said Act, as amended, shall be included in the first report made thereunder after the establishment of the Association and in each succeeding report.

SECTION OF THE AFRICAN DEVELOPMENT FUND ACT RELATING TO THE NATIONAL ADVISORY COUNCIL

(90 Stat. 694; 22 U.S.C. 290g-3)

SEC. 204. The provisions of section 4 of the Bretton Woods Agreements Act, as amended (22 U.S.C. 286b), shall apply with respect to the Fund to the same extent as with respect to the International Bank for Reconstruction and Development and the International Monetary Fund. Reports with respect to the Fund under paragraphs (5) and (6) of subsection 4 of said Act, as amended, shall be included in the first report made thereunder after the United States accepts participation in the Fund.

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[7] Equivalent provisions regarding securities issued by the Inter-American Development Bank were enacted in Public Law 86-147, section 11(b), 22 USCA 283h(b).

REPORTING REQUIREMENT OF SECTION 2(a) OF PUBLIC LAW 96-389 (94 STAT. 1551), APPROVED OCTOBER 7, 1980

BASIC HUMAN NEEDS

SEC. 2. (a) The Bretton Woods Agreements Act is further amended by adding at the end thereof the following new section:

"SEC. 33. (a) The President shall instruct the Secretary of the Treasury, the Secretary of State, and other appropriate Federal officials to use all appropriate means to encourage countries, in formulating economic adjustment programs to deal with their balance of payments difficulties, to design those programs so as to safeguard, to the maximum feasible extent, jobs, investment, real per capita income, policies to reduce the gap in wealth between rich and poor, and social programs such as health, housing, and education.

"(b) To ensure the effectiveness of economic adjustment programs supported by Fund resources and the reinforcement of those programs by longer term efforts to promote sustained growth and improved living conditions–

"(1) United States representatives to the Fund shall recommend and shall work for changes in Fund guidelines, policies, and decisions that would–

"(A) permit stand-by arrangements to be extended beyond three years, as necessary to enable Fund members to implement their economic adjustment programs successfully;

"(B) provide that in approving any economic adjustment program the Fund shall take into account the effect such program will have on jobs, investment, real per capita income, the gap in wealth between the rich and poor, and social programs such as health, housing, and education, in order to seek to minimize the adverse impact of those adjustment programs on basic human needs; and

"(C) provide that the letters of intent submitted to the Fund in support of an economic adjustment program reflect that the member country has taken into account the effect such program will have on the factors listed in subparagraph (B);

"(2)(A) before voting on the approval of any standby arrangement with respect to any economic adjustment program, the United States Executive Director shall review–

"(i) any analysis of factors prepared by the Fund or the member country in accordance with subparagraphs (B) and C) of paragraph (1), or

"(ii) if no such analysis is prepared and available for such review, an analysis which shall be prepared by the United States Governor of the Fund which examines the effect of the program on the factors listed in subparagraph (B) of paragraph (1); and

"(B) the United States Executive Director of the Fund shall take into account the analysis reviewed pursuant to subparagraph (A) of this paragraph in voting on approval of that stand-by arrangement;

"(3) United States representatives to the Fund, to the Bank, and to other appropriate institutions shall work toward improving coordination among these institutions and, in particular, shall work toward formulations of programs in association with economic adjustment programs supported by Fund resources which (A) will, among other things, promote employment, investment, real income per capita, improvements in income distribution, and the objectives of social programs such as health, housing, and education, and (B) will, to the maximum extent feasible and consistent with the borrowing country's need to improve its balance-of-payments position within a reasonable period, ameliorate any adverse effects of economic adjustment programs on the poor;

"(4) United States representatives to the Fund and the Bank shall seek amendments to decisions on policies on the use of Fund and Bank resources to provide that, where countries are seeking Extended Fund Facility or upper credit tranche drawings from the Fund and are eligible to receive financing from the Bank, the Fund and Bank will coordinate their financing activities in order–

"(A) to take into account the effects of economic adjustment programs on the areas listed in clause (A) of paragraph (3),

"(B) to provide to the extent feasible, Bank project loans designed to safeguard and further basic human needs in countries adopting economic adjustment programs supported by Fund resources, and

"(C) to provide, as appropriate, Bank financing for programs of structural adjustment that will facilitate development of a productive economic base and greater attainment of basic human needs objectives over the longer term; and

"(5) United States representatives to the Fund and the Bank shall request the Fund and the Bank to provide periodic analyses of the effects of economic adjustment programs supported by Fund or Bank financing on jobs, investment, real income per capita, income distribution, and social programs such as health, housing, and education.

"(c) The National Advisory Council on International Monetary and Financial Policies shall include in each of its annual reports to the Congress a statement detailing the actions and progress made in carrying out the requirements of subsections (a) and (b) of this section."

REPORTING REQUIREMENT OF SECTION 501(b) OF PUBLIC LAW 96-259 AMENDING PUBLIC LAW 95-118

SEC. 501.(a) Section 701 of the Act of October 3, 1977 (Public Law 95-118; 22 U.S.C. 262g), is amended in subsection (c)–

(1) by inserting "(1)" immediately after "(c)"; and paragraph: "(2)(A) The Secretary of the Treasury shall report quarterly on all loans considered by the Boards of Executive Directors of the institutions listed in subsection (a) to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate. Each such quarterly report shall include a list of all loans considered by the Boards of Executive Directors of such institutions and shall specify with respect to each such loan–

"(i) the institution involved;

"(ii) the date of final action;

"(iii) the borrower;

"(iv) the amount;

"(v) the project or program;

"(vi) the vote of the United States Government;

"(vii) the reason for United States Government opposition, if any;

"(viii) the final disposition of the loan; and

"(ix) if the United States Government opposed the loan, whether the loan meets basic human needs.

"(B) The information required to be reported under subparagraph A also shall be included in the annual report to Congress of the National Advisory Council on International Monetary and Financial Policies."

SECTIONS OF PUBLIC LAW 98-181 (NOVEMBER 30, 1983) RELATING TO THE NATIONAL ADVISORY COUNCIL

PART C–TIED AID CREDIT EXPORT SUBSIDIES

SHORT TITLE

SEC. 641. This part may be referred to as the "Trade and Development Enchancement Act of 1983".

STATEMENT OF PURPOSE

SEC. 642. The purpose of this part is–

(1) to expand employment and economic growth in the United States by expanding United States exports to the markets of the developing world;

(2) to stimulate the economic development of countries in the developing world by improving their access to credit for the importation of United States products and services for developmental purposes;

(3) to neutralize the predatory financing engaged in by many nations whose exports compete with United States exports, and thereby restore export competition to a market basis; and

(4) to encourage foreign governments to enter into effective and comprehensive agreements with the United States to end the use of tied aid credits for exports, and to limit and govern the use of export credit subsidies generally.

* * * * *

ESTABLISHMENT OF A TIED AID CREDIT PROGRAM IN THE UNITED STATES EXPORT-IMPORT BANK

SEC. 644. (a)(1) The Chairman of the Export-Import Bank of the United States shall establish, within the Export-Import Bank of the United States, a program of tied aid credits for United States exports.

(2) The program shall be carried out in cooperation with the Agency for International Development and with private financial institutions or entities, as appropriate.

(3) The program may include–

(A) the combined use of the credits, loans, or guarantees offered by the Export-Import Bank of the United States with concessional financing or grants offered by the Agency for International Development, by methods including the blending of the financing of, or parallel financing by, the Bank and the Agency for International Development; and

(B) the combined use of credits, loans, or guarantees offered by the Bank, with financing offered by private financial institutions or entities, by methods including the blending of the financing of, or parallel financing by, the Bank and private institutions or entities.

(b) The purpose of the tied aid credit program under this section is to offer or arrange for financing for the export of United States goods and services which is substantially as concessional as foreign financing for which there is reasonable proof that such foreign financing is being offered to, or arranged for, a bona fide foreign competitor for a United States export sale.

(c) The Chairman of the Bank is authorized to establish a fund, as necessary, for carrying out the tied aid credit program described in this section.

(d) Concessional financing or grants offered by the Agency for International Development for the purposes of the mixed financing program established under this section shall be made available in accordance with the provisions of subsections (c) and (d) of section 645 of this Act.

ESTABLISHMENT OF A TIED AID CREDIT PROGRAM IN THE AGENCY FOR INTERNATIONAL DEVELOPMENT

SEC. 645. (a) The Administrator of the Agency for International Development shall establish within the Agency a program of tied aid credits for United States exports. The program shall be carried out in cooperation with the Export-Import Bank of the United States and with private financial institutions or entities, as appropriate. The program may include–

(1) the combined use of the credits, loans, or guarantees offered by the Bank with concessional financing or grants offered by the Agency for International Development, by methods including the blending of the financing of, or parallel financing by, the Bank and the Agency for International Development; and

(2) the combination of concessional financing or grants offered by the Agency for International Development with financing offered by private financial institutions or entities, by methods including the blending of the financing of, or parallel financing by, the Agency for International Development and private institutions or entities.

(b) These funds may be combined with financing by the Export-Import Bank of the United States or private commercial financing in order to offer, or arrange for, financing for the exportation of United States goods and services which is substantially as concessional as foreign financing for which there is reasonable proof that such foreign financing is being offered to, or arranged for, a bona fide foreign competitor for a United States export sale.

(c)(1) Funds of the Agency for International Development which are used to carry out a tied aid credit program authorized by subsections (a) and (b) shall be offered only to finance United States exports which can reasonably be expected to contribute to the advancement of the development objectives of the importing country or countries, and shall be consistent with the economic, security, and political criteria used to establish country allocations of Economic Support Funds.

(2) The Administrator of the Agency for International Development is authorized to establish a fund, as necessary, for carrying out a tied aid credit financing program as described in this section.

(d) The Administrator of the Agency for International Development may draw on Economic Support Funds allocated for Commodity Import Programs to finance a tied aid credit activity.

IMPLEMENTATION

SEC. 646. (a)(1) The National Advisory Council on International Monetary and Financial Policies shall coordinate the implementation of the tied aid credit programs authorized by sections 644 and 645.

(2) No financing may be approved under the tied aid credit programs authorized by section 644 or section 645 without the unanimous consent of the members of the National Advisory Council on International Monetary and Financial Policies.

* * * * *

SUSTAINING ECONOMIC GROWTH

SEC. 806. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SUSTAINING ECONOMIC GROWTH

SEC. 45. (a)(1) The President shall instruct the Secretary of the Treasury, the Secretary of State, and other appropriate Federal officials, and shall request the Chairman of the Board of Governors of the Federal Reserve System, to use all appropriate means to encourage countries to formulate economic adjustment programs to deal with their balance of payment difficulties and external debt owed to private bank.

"(2) Such economic adjustment programs should be designed to safeguard, to the maximum extent feasible, international economic growth, world trade, employment, and the long-term solvency of banks, and to minimize the likelihood of civil disturbances in countries needing economic adjustment programs.

"(b) to ensure the effectiveness of economic adjustment programs supported by Fund resources –

"(1) the United States Executive Director of the Fund shall recommend and shall work for changes in Fund guidelines, policies, and decisions which would –

"(A) convert short-term bank debt which was made at high interest rates into long-term debt at lower rates of interest;

"(B) assure that the annual external debt service, which shall include principal, interest, points, fees, and other charges required of the country involved, is a manageable and prudent percentage of the projected annual export earnings of such country; and

"(C) provide that in approving any economic adjustment program the Fund shall take into account the number of countries applying to the Fund for economic adjustment programs and the aggregate effects that such programs will have on international economic growth, world trade, exports and employment of other member countries, and the long-term solvency of banks; and

"(2) except as provided in subsection (c) of this section, the United States Executive Director of the Fund shall oppose and vote against providing assistance from the Fund for any economic adjustment program for a country in which the annual external debt service exceeds 85 per centum of the annual export earnings of such country, unless the Secretary of the Treasury first determines and provides written documentation to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives that –

"(A) the economic adjustment program converts high interest rate, short-term bank debt into long-term debt at significantly narrower interest rate spreads than the average interest rate spreads prevailing on bank debt reschedulings negotiated between August 1982 and August 1983 for countries receiving assistance from the Fund for economic adjustment programs in order to minimize the burdens of adjustment on the debtor nation, provided that such interest rate spreads are consistent with that nation's need to obtain adequate external private financing;

"(B) the annual external debt service required of the country involved is a manageable and prudent percentage of the projected annual export earnings of such country; and

"(C) the economic adjustment program will not have an adverse impact on international economic growth, world trade, exports, and employment of other member countries, and the long-term solvency of banks.

"(c) The provisions of subsection (b)(2) shall not apply in any case in which the Secretary of the Treasury first determines and provides written documentation to the Committee on Banking, Housing and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives that –

"(1) an emergency exists in a nation that has applied to the Fund for assistance that requires an immediate short-term loan to avoid disrupting orderly financial markets;

"(2) a sudden decrease in export earnings in the country applying to the Fund for assistance has increased the ratio of annual external debt service to annual export earnings, to greater than 85 per centum for a period projected to be no more than one year; or

"(3) other extraordinary circumstances exist which warrant waiving the provisions of subsection (b)(2).".

OPPOSING FUND BAILOUTS OF BANKS

SEC. 807. The Bretton Woods Agreements Act (22 U.S.C 286 et seq.) is amended by adding at the end thereof the following:

"OPPOSING FUND BAILOUTS OF BANKS

SEC. 46. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund –

"(1) to oppose and vote against any Fund drawing by a member country where, in his judgment, the Fund resources would be drawn principally for the purpose of repaying loans which have been imprudently made by banking institutions to the member country; and

"(2) to work to insure that the Fund encourages borrowing countries and banking institutions to negotiate, where appropriate, a rescheduling of debt which is consistent with safe and sound banking practices and the country's ability to pay.".

SURPLUS COMMODITIES

SEC. 808. (a) Section 4(b) of the Bretton Woods Agreements Act (22 U.S.C. 286b(b)) is amended by adding at the end thereof the following:

"(8) The general policy objectives for the guidance of the United States Executive Director of the Bank shall take into account the effect that development assistance loans have upon individual industry sectors and international commodity markets –

"(A) to minimize projected adverse impacts; and

"(B) to avoid, wherever possible, government subsidization of production and exports of international commodities without regard to economic conditions in the markets for such commodities.".

* * * * *

TRADE PROVISIONS

SEC. 812. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"TRADE PROVISIONS

"SEC. 49. (a)(1) The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to initiate a wide consultation with the Managing Director of the Fund and the other Directors of the Fund with regard to the development of Fund financial assistance policies which, to the maximum feasible extent –

"(A) reduce obstacles to and restrictions upon international trade and investment in goods and services;

"(B) eliminate unfair trade and investment practices; and

"(C) promote mutually advantageous economic relations.

"(2) The Secretary of the Treasury shall work closely in this effort with the Trade Policy Committee.

"(3) As part of this effort, the Secretary of the Treasury shall also instruct the United States Executive Director of the Fund to encourage close cooperation between Fund staff and the GATT Secretariat.

"(b)(1) The Secretary of the Treasury shall instruct the United States Executive Director of the Fund, prior to the extension to any country of financial assistance by the Fund, to work to have the Fund obtain the agreement of such country to eliminate, in a manner consistent with its balance of payments adjustment program, unfair trade and investment practices with respect to goods and services which the United States Trade Representative, after consultation with the Trade Policy Committee, has determined to have a significant deleterious effect on the international trading system.

"(2) Such practices include –

"(A) the provision of predatory export subsidies, employed in connection with the exporting of agricultural commodities and products thereof to foreign countries;

"(B) the provision of other export subsidies, such as government subsidized below-market interest rate financing for commodities or manufactured goods;

"(C) unreasonable import restrictions;

"(D) the imposition of trade-related performance requirements on foreign investment; and

"(E) practices which are inconsistent with international agreements.

"(c)(1) In determining the United States position on requests for periodic drawing under Fund programs, the Secretary of the Treasury shall take full account of the progress countries have made in achieving targets for eliminating or phasing out the practices referred to in subsection (b) of this section.

"(2) In the event that the United States supports a request for drawing by a country that has not achieved the Fund targets relating to such practices specified in its program, the Secretary of the Treasury shall report to the appropriate committees of the Congress the reasons for the United States position.".

REPORTS TO CONGRESS

SEC. 813. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"REPORTS TO CONGRESS

"SEC. 50. (a) The National Advisory Council on International Monetary and Financial Policies shall include in its annual reports to the Congress –

"(1) a statement listing all appraisal reports which have been circulated during the preceding year within the Bank for project assistance which would establish or enhance the capacity of any country to produce a commodity for export, if–

"(A) such commodity is in surplus on world markets or is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative; and

"(B) such project assistance will cause material injury to United States producers of the same, similar, or competing commodity;

"(2) a review of success in reducing or eliminating import restrictions and unfair export subsidies which have been determined to be inconsistent with international agreements, and which have a serious adverse impact on the United States, or any other member's, exports or employment;

"(3) a study for the fiscal year 1984 report of the impact on the United States steel and copper industries of steel and copper subsidies by nations who are borrowers from the Fund;

"(4) a review for the fiscal year 1984 report regarding progress achieved in reaching the goal of eliminating all predatory agricultural export subsidies which might result in the reduction of other member countries' exports as set forth in section 44; and

"(5) copies of the analyses and any written documentation prepared by the Secretary of the Treasury pursuant to subsections (b)(2) and (c) of section 45 and a statement detailing the actions and progress made in carrying out the requirements of subsections (a) and (b) of section 45".

APPENDIX B

LATIN AMERICAN DEFENSE EXPENDITURES

This portion of the National Advisory Council Annual Report deals with Latin American defense expenditures and their impact on the national economies of the region.

The following table is from the Implementation of Section 620(s) of the Foreign Assistance Act of 1961 as amended – A Report to the Congress, 1984, prepared by the Agency for International Development, International Development Cooperation Agency.* The statistical section of the report for 1984 has been revised to provide a compact and straight-forward summary of all essential indicators. The statistical reporting in prior years, which was lengthy and methodologically complex, exceeded legislative requirements.

To implement Section 620(s), the executive agencies involved examine the pattern of defense expenditures and military imports for each aid recipient country. To provide cross country comparability, defense expenditures are expressed as a percentage of gross national product (GNP) and of central government expenditures. Similarly, military import figures are expressed as a percentage of total imports. These three ratios are presented in a single table. Simple country rankings are then provided for each ratio, from the highest military spender to the lowest.

The statistical data are for 1982, the latest year for which the most complete statistics are available. Therefore, they will not reflect any changes in defense expenditures which may have occurred since then in Latin America.

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*Section 620(s) of the Foreign Assistance Act requires that decisions on the provision of certain types of economic Assistance to developing nations be preceded by consideration of the percentage of recipients' budgets devoted to military purposes and the degree to which recipients use their foreign exchange reserves to acquire military equipment. Section 620(s) requires the President to report annually to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate his actions in carrying out this section.

Country	Defense Expenditures as share of: Central Government Expenditures		Defense Expenditures as share of: Gross Domestic Product		Military Imports as share of: Total Imports	
	Percentage	Rank	Percentage	Rank	Percentage	Rank
Argentina	......	......	......	......	5.6	6
Bahamas	NA	......	......	......	......	......
Barbados	NA	......	......	......	......	......
Belize	NA	......	......	......	......	......
Bolivia	......	......	1.5	12	0.0	17
Brazil	......	......	......	......	0.1	16
Chile	12.1	4	4.8	2	7.9	4
Colombia	7.8	8	0.8	14	0.5	14
Costa Rica	......	......	......	......	0.0	17
Cuba	......	......	5.0	1	14.1	1
Dominica	......	......	......	......	......	......
Dominican Rep.	......	......	1.4	13	0.3	15
Ecuador	......	......	......	......	11.5	3
El Salvador	20.9	2	4.1	5	5.6	6
Grenada	NA	......	......	......	......	......
Guadeloupe	NA	......	......	......	......	......
Guatemala	11.3	5	1.7	8	2.8	8
Guyana	6.5	10	4.5	4	0.0	17
Haiti	9.9	7	1.6	10	......	......
Honduras	NA	......	......	......	......	......
Jamaica	2.9	11	1.6	10	0.0	17
Mexico	......	......	0.5	16	1.3	12
Nicaragua	......	......	......	......	12.8	2
Panama	......	......	0.8	14	0.6	13
Paraguay	10.6	6	1.7	8	0.0	17
Peru	25.8	1	4.7	3	7.7	5
St. Lucia	NA	......	......	......	......	......
Suriname	......	......	......	......	1.9	9
Trinidad and Tobago	......	......	......	......	0.0	17
Uruguay	12.2	3	3.7	6	1.9	9
Venezuela	6.7	9	2.3	7	1.9	9

Sources: Treasury Department and International Development Cooperation Agency.

APPENDIX C

LOANS BY THE MULTILATERAL DEVELOPMENT BANKS DURING THE PERIOD OCTOBER 1, 1984, TO SEPTEMBER 30, 1985

NAC/WGMA Procedures

During the 12-month period ending September 30, 1985, the multilateral development banks – the International Bank for Reconstruction and Development (IBRD), the International Development Association (IDA), the Inter-American Development Bank (IDB), the Asian Development Bank (ADB), and the African Development Bank (AFDB) – authorized economic development loans and credits totaling 22.2 billion dollars (or the equivalent in other currencies) in 100 countries. A breakdown of this amount by country and by institution is presented in table A below.

Detailed documentation on each MDB loan proposal is prepared by the management of the respective institution and is made available to U.S. Government agencies for review in accordance with established procedures. Before June 20, 1978, the detailed loan-by-loan review of MDB proposals was conducted by the National Advisory Council (Staff Committee). After that date, following presidential decisions concerning executive branch coordination of foreign assistance, the development aspects of this loan-by-loan review were transferred to the Working Group on Multilateral Aid (WGMA), a staff group functioning under the Subcommittee on Multilateral Aid (SMA) of the Development Coordination Committee (DCC).

The outcome of WGMA review of individual MDB loan proposals is the WGMA "Recommendation," a document advising the Secretary of the Treasury and the Chairman of the Development Coordination Committee of the suggested positions to be adopted by the U.S. representatives to the MDBs at the MDB board discussions of the loan proposals. The WGMA has on occasion recommended – and the Secretary of the Treasury has so instructed – that the U.S. representative abstain in the vote, or cast a negative vote, on proposals of the MDBs. A tabulation of such abstentions and negative votes in fiscal year 1985 is presented in table B of this appendix. (See also Appendix D.)

LOAN DESCRIPTIONS

This appendix of the NAC Annual Report also provides, in accordance with the provisions of Section 31 of Chapter 3 of Public Law 91-599 (84 Stat. 1658), brief descriptions of development loans approved by the boards of the MDBs during the period covered. For reader convenience, the loan descriptions are arranged by institution, alphabetically by recipient country, and by approval date. Basic data on the loans, such as their purpose, amount, terms, borrower identity, and the economic or financial rates of return of the projects financed are given. Some MDB loans help finance projects with direct, quantifiable benefits which can be expressed in terms of such factors as the number of people or families benefited, the number of new water connections made, or the number of new places for students created in schools. Estimates of these benefits, if available, are provided. Loans for the creation of physical facilities also directly benefit employment and income during the construction of the project.

The material on MDB development loans and credits in this appendix does not include the investment commitments of the International Finance Corporation (IFC), loans made by the MDBs to finance short- and medium-term export credit programs, small technical assistance loans, most cost overrun loans, or previous loans and credits reformulated or restructured during the period under review without any significant changes in original purpose, terms, or amount.

GLOSSARY

ADB: Asian Development Bank
ADF: Asian Development Fund

AFDB: African Development Bank
AFDF: African Development Fund
BUA: Bank Unit of Account
FSO: Fund for Special Operations (IDB)
IBRD: International Bank for Reconstruction and Development
IDA: International Development Association
IDB: Inter-American Development Bank
IRC: Inter-Regional Capital (IDB)
TAA: Technical Assistance Account
UA: Unit of Account

TABLE A.—*Economic development loans authorized by international development lending institutions by area and country October 1, 1984, to September 30, 1985*

[Millions of dollars]

Area, Country	IBRD	IDA	IDB	ADB/F	AFDB/F	Total
Africa, south of the Sahara:						
Angola	......	......	......	......	1.0	1.0
Benin	......	5.0	......	......	9.5	14.5
Botswana	10.7	......	......	......	41.0	51.7
Burkina Faso	......	61.9	......	......	1.4	63.3
Burundi	......	52.7	......	......	31.6	84.3
Cameroon	158.8	......	......	......	13.0	171.8
Cape Verde	......	4.0	......	......	24.3	28.3
Central African Republic	......	8.0	......	......	7.6	15.6
Comoros	......	......	......	......	5.4	5.4
Congo	......	......	......	......	2.3	2.3
Djibouti	......	5.0	......	......	2.5	7.5
East African Development Bank	......	......	......	......	31.8	31.8
Equatorial Guinea	......	9.3	......	......	13.7	23.0
Ethiopia	......	30.0	......	......	39.5	69.5
Gabon	......	......	......	......	42.6	42.6
Ghana	......	150.0	......	......	59.6	209.6
Guinea	......	17.5	......	......	27.6	45.1
Guinea-Bissau	......	10.0	......	......	......	10.0
Ivory Coast	193.5	......	......	......	59.5	253.0
Kenya	32.6	6.0	......	......	15.3	53.9
Lesotho	......	3.5	......	......	36.0	39.5
Liberia	......	7.6	......	......	......	7.6
Madagascar	......	67.0	......	......	29.3	96.3
Malawi	6.4	50.4	......	......	23.0	79.8
Mali	......	68.1	......	......	37.7	105.8
Mauritania	......	29.2	......	......	1.3	30.5
Mozambique	......	45.0	......	......	......	45.0
Niger	......	9.3	......	......	12.0	21.3
Nigeria	249.0	......	......	......	......	249.0
Rwanda	......	16.3	......	......	4.9	21.2
Sao Tome and Principe	......	5.0	......	......	3.1	8.1
Senegal	......	24.0	......	......	13.5	37.5
Seychelles	6.2	......	......	......	6.0	12.2
Sierra Leone	......	......	......	......	1.1	1.1
Somalia	......	20.6	......	......	28.0	48.6
Sudan	......	55.5	......	......	38.2	93.7
Swaziland	8.6	......	......	......	5.3	13.9
Tanzania	......	45.0	......	......	......	45.0
Togo	......	46.4	......	......	......	46.4
Uganda	......	43.9	......	......	17.7	61.6
Zaire	......	82.4	......	......	41.1	123.5
Zambia	......	55.2	......	......	72.2	127.4
Zimbabwe	10.0	......	......	......	63.4	73.4
Total	675.8	1,033.8	......	......	863.0	2,572.6
North Africa & Middle East:						
Algeria	262.0	......	......	......	......	262.0
Egypt	263.3	......	......	......	109.8	373.0
Jordan	86.5	......	......	......	......	86.5
Lebanon	......	......	......	......	......	......
Morocco	407.6	......	......	......	44.1	451.7
Oman	23.0	......	......	......	......	23.0
Syria	7.5	......	......	......	......	7.5
Tunisia	168.7	......	......	......	93.1	261.8
Yemen Arab Republic	......	22.7	......	......	......	22.7
Yemen, P.D.R.	......	19.4	......	......	......	19.4
Total	1,218.6	42.1	......	......	247.0	1,507.6

TABLE A.–*Economic development loans authorized by international development lending institutions by area and country October 1, 1984, to September 30, 1985*–Continued

[Millions of dollars]

Area, Country	IBRD	IDA	IDB	ADB/F	AFDB/F	Total
East Asia & Pacific:						
China	659.6	417.3	......	......	......	1,076.9
Fiji	6.5	......	......	10.2	......	16.7
Indonesia	1,065.7	......	......	389.5	......	1,455.2
Kiribati	......	......	......	0.6	......	0.6
Korea, Republic of	661.0	......	......	94.0	......	755.0
Lao, P.D.R.	......	......	......	9.5	......	9.5
Malaysia	163.1	......	......	159.1	......	322.2
Papua New Guinea	56.1	......	......	11.0	......	67.1
Philippines	104.0	......	......	145.9	......	249.9
Singapore	......	......	......	......	......	......
Solomon Islands	......	2.0	......	2.1	......	4.1
Thailand	112.5	......	......	364.1	......	476.6
Vanuatu	......	......	......	......	......	......
Western Samoa	......	2.0	......	4.2	......	6.2
Total	2,828.5	421.3	......	1,190.0	......	4,439.8
South Asia:						
Bangladesh	......	226.0	......	189.1	......	455.1
Bhutan	......	9.0	......	11.4	......	20.4
Burma	......	32.3	......	......	......	32.3
India	1,674.0	992.1	......	......	......	2,666.1
Maldives	......	......	......	......	......	......
Nepal	......	45.1	......	58.9	......	104.0
Pakistan	433.0	245.3	......	388.8	......	1,066.8
Sri Lanka	62.0	72.0	......	60.9	......	194.9
Total	2,169.0	1,661.8	......	709.1	......	4,539.6
Latin America & Caribbean:						
Argentina	180.0	......	319.1	......	......	499.1
Barbados	......	......	11.7	......	......	11.7
Brazil	1,547.5	......	380.5	......	......	1,928.0
Chile	427.0	......	355.7	......	......	782.7
Colombia	685.5	......	497.5	......	......	1,183.0
Costa Rica	83.5	......	86.6	......	......	170.1
Dominican Republic	41.6	......	187.0	......	......	228.6
Ecuador	8.0	......	279.0	......	......	287.0
El Salvador	......	......	21.0	......	......	21.0
Grenada	......	5.0	......	......	......	5.0
Guatemala	44.6	......	191.0	......	......	235.6
Guyana	......	8.8	44.1	......	......	52.9
Haiti	......	32.1	11.9	......	......	44.0
Honduras	6.9	......	30.9	......	......	37.8
Jamaica	64.0	......	20.1	......	......	84.1
Mexico	928.0	......	211.4	......	......	1,139.4
Panama	51.0	......	48.7	......	......	99.7
Paraguay	......	......	37.5	......	......	37.5
Peru	17.5	......	180.0	......	......	197.5
Uruguay	49.2	......	......	......	......	49.2
Venezuela	......	......	514.0	......	......	514.0
Regional	......	......	49.6	......	......	49.6
Total	4,134.2	45.9	3,477.3	......	......	7,657.5
Southern Europe & Other Mediterranean Countries:						
Cyprus	7.0	......	......	......	......	7.0
Hungary	277.5	......	......	......	......	277.5
Portugal	66.0	......	......	......	......	66.0
Turkey	838.5	......	......	......	......	838.5
Yugoslavia	252.5	......	......	......	......	252.5
Total	1,441.5	......	......	......	......	1,441.5
Grand Total	12,467.6	3,204.9	3,477.3	1,899.1	1,110.0	22,158.9

Source: Treasury Department.

TABLE B. – *U.S. negative votes and abstentions in the MDBs from October 1, 1984, to September 30, 1985*

Institution	Date	Borrower	Amount ($ millions)	Project	Vote	Reason
IBRD	Nov. 1984	Colombia	130.0	Petroleum Development	No	Potential displacement of foreign private capital
	Mar. 1985	Chile	11.0	Public Sector Management	Abstain	Human Rights
	Aug. 1985	Mexico	150.0	Low Income Housing	Abstain	Negative real interest rates and budget subsidy
	Sep. 1985	Syria	7.5	Agricultural Extension	Abstain	Human Rights
IDA	Dec. 1984	Benin	5.0	Technical Assistance	Abstain	Human Rights
	Mar. 1985	Uganda	5.1	Petroleum Tech. Assistance	Abstain	Human Rights
	Mar. 1985	Uganda	28.8	Power Rehabilitation II	Abstain	Human Rights
	Mar. 1985	Yemen, PDR	5.0	Agricultural Research and Exten.	Abstain	Human Rights
	Apr. 1985	Ethiopia	30.0	Drought Recovery Program	No	Expropriation
	Jun. 1985	Yemen, PDR	14.4	Highways IV	Abstain	Human Rights
IFC	Feb. 1985	Brazil	3.0 equity	COSIGUA Steel Modernization	No	Additional IFC equity investment not necessary, and therefore could displace local private capital
	Jun. 1985	Chile	18.7	COCAR Coal	Abstain	Human Rights
IDB	Dec. 1984	Chile	48.0 (OC)	Oil and Gas Exploration and Development	No	Potential displacement of foreign private capital
	Dec. 1984	Ecuador	175.0 (IRC)	Daule-Peripa Multipurpose Dam	No	Doubtful economic viability
	Jan. 1985	Brazil	44.0 (IRC) 14.5 (OC) 14.5 (FSO)	Porto Velho-Rio Branco Road Improvement	Abstain	Doubtful economic viability due to poor natural resource management
	Feb. 1985	Chile	130.0 (IRC)	Industrial Recovery	Abstain	Human Rights
	Feb. 1985	Guyana	28.0 (IRC)	Industrial Reactivation	No	Inappropriate macroeconomic policies
ADB	Dec. 1984	Philippines	27.9	Allah River Irrigation	Abstain	Unjustified cost overrun
	Jun. 1985	Indonesia	1.0 equity (OC)	BAPINDO DFC	No	Added restraints on private sector
	Jun. 1985	Indonesia	0.4 equity (OC)	Kratama Belindo Steel Fabricating	No	Poor management structure, inefficient import substitution, and no government commitment to divest
AFDB	Nov. 1984	Uganda	1.11	Cement Industry Rehab. Study	Abstain	Human Rights
	Dec. 1984	Lesotho	11.9	Maseru International Airport	No	Low economic rate of return
	Dec. 1984	Madagascar	4.6	Antalaha Palm Oil Plantation and Mill	No	Poor soil and excess milling capacity
AFDF	Nov. 1984	Benin	0.87	Road Study	Abstain	Human Rights
	Nov. 1984	Ethiopia	20.4	Dairy Rehabilitation and Development	No	Expropriation
	Dec. 1984	Equatorial Guinea	2.7	Cocoa Sector Tech. Ass.	No	Outstanding arrearages owed AFDB
	Dec. 1984	Madagascar	5.5	Antalaha Palm Oil Plantation and Mill	No	Poor soil and excess milling capacity

TABLE B.–*U.S. negative votes and abstentions in the MDBs from October 1, 1984, to September 30, 1985*–Continued

Institution	Date	Borrower	Amount ($ millions)	Project	Vote	Reason
	Feb. 1985	Angola	0.9	Caita-Lucapa Road Study	Abstain	Human Rights
	Feb. 1985	Zaire	13.2	SOFIDE Agricultural credit	No	Negative sub-loan interest rates
	Apr. 1985	Ethiopa	1.1	Awash Basin Water Resources Master Plan	No	Expropriation
	Apr. 1985	Ethiopia	15.7	Small-Scale Irrigation Project	No	Expropriation
	Sept. 1985	Somalia	11.8	Agricultural Line of Credit for Somali Development Bank	Abstain	Use of seriously overvalued official foreign exchange rate and inappropriate policies on ag. co-ops

Source: Treasury Department.

WORLD BANK

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

ALGERIA

WATER SUPPLY AND SEWERAGE: The National Water Supply and Sewerage Project will consist of: (a) collection, treatment and conveyance of the Lower Tafna River waters to increase the supply of Oran; (b) construction of a demineralization plant to lower the total dissolved solids content of water distributed in Oran; (c) rehabilitation of the Beni Bhadel and Fergoug water production systems; (d) treatment and transmission of the Rhumel River water to supply Constantine; (e) collection and softening of groundwater in the Constantine area; (f) expansion and improvement of the primary water distribution network in Constantine City; (g) collection and treatment of wastewater in Constantine for use in agriculture; (h) supply of operational equipment, including master and domestic water meters, to all the regional companies; (i) technical assistance to the regional companies and staff training; and (j) preparation of water supply and sewerage projects to meet demands in urban areas.

Borrower/Implementing Agency: Algeria, Entreprise de Production, de Gestion et de Distribution d'Eau d'Oran (EPEOR), Entreprise de Production, de Gestion et de Distribution d'Eau de Constantine (EPECO).

Terms: $262.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $571.7 million equivalent.

Purpose and Benefits: The project will help expand water production and distribution in the Greater Oran and Constantine areas to the level required to meet unsatisfied demand and future peak demand. It will help increase the efficiency of the water distribution systems and improve the water quality in both metropolitan areas. The economic rate of return is estimated at 9 percent.

Date Approved: June 20, 1985.

ARGENTINA

ENERGY: The Gas Utilization and Technical Assistance Project will consist of: (a) expansion of liquid recovery facilities at Campo Duran as part of an increase in the capacity of the Northern Gas Pipeline system; (b) gas debottlenecking projects (new compression facilities, liquid separation operations, gathering lines); (c) enhanced oil recovery pilot projects; (d) two pipelines for the transportation of crude and refinery products; (e) an initial group of refilling stations for the beginning of a pilot program of CNG use for vehicles; and (f) technical assistance to YPF for improving its financial control systems, management structure, investment planning, and selected operations, and ~~to~~ the Energy Secretariat for energy planning.

Borrower/Implementing Agency: Yacimientos Petroliferos Fiscales (YPF).

Terms: $180.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $802.6 million equivalent.

Purpose and Benefits: The project will help YPF undertake priority investments in gas field development, expansion of the northern transmission system, augmenting the use of gas, and producing high value liquid hydrocarbons from natural gas, for which no alternative sources of foreign exchange financing are available. The project also includes operations designed to introduce new technology for increasing the total amount of oil recoverable from known fields and to improve the transportation of petroleum and petroleum products. The execution of Campo Duran component will result in increased production of 165,000 tons/yr of Liquified Petroleum Gas (LPG) and 74,000 cubic meters/yr of Natural gasoline; and will eliminate the flaring of 100 MMCFD of excess gas. If, as planned, the ethane recovery unit included in the project is installed (pending a more detailed market assessment), 270,000 tpy of ethane will also be produced.

Date Approved: June 25, 1985.

BANGLADESH

EDUCATION: The Bangladesh Second Primary Education Project will finance the first three years of the Government's five-year investment program (FY 86-90) which is part of a longer term strategy to achieve Universal Primary Education (UPE) by the year 2000. The main objectives of the project will be to: (a) increase enrollments by improving and expanding primary school facilities and introducing more liberal improvement policies; (b) improve the quality of instruction by reforming the primary teacher training program, improving curriculum including the student assessment system, and increasing the supply of instructional materials and textbooks; and (c) reduce costs by expanding the low-cost experimental instructional program (Project IMPACT), increasing teacher utilization patterns, utilizing lower cost school construction designs and techniques, and introducing selective cost recovery mechanisms in the test book program. The project will also improve the management and administration of the primary school system by the strengthening of key institutions, staff training and the development of management information and project support communications systems.

Borrower/Implementing Agency: Bangladesh, Ministry of Education.

Terms: $78.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $103.4 million equivalent.

Purpose and Benefits: The project is expected to increase enrollments, improve the quality of instruction and student learning achievements, and reduce costs. Enrollments are expected to increase by about 740,000 by the end of the project period, of which about 400,000 (55 percent) will be girls. The current dropout rate in excess of 50 percent between Grades I and II will be expected to fall to less than 20 percent due largely to the introduction of more liberal promotions in Grades I and II. Without the project, only about 30 percent of the students would complete the primary cycle. With the project this will double, with gains for girls proportionately greater. The Monitoring and Evaluation Unit which is being established in the Directorate of Primary Education (DPE), as part of the project, will be responsible for monitoring the progress in meeting these targets. The project is expected to slow the trend toward higher recurrent costs through the larger classes and schools, an increase in the pupil-teacher ratio, and the introduction of cost recovery in the textbook provision policy through the reuse of textbooks and consideration of nominal fees for textbooks. The innovative components (Project IMPACT and integrated pre-and in-service teacher training) are also expected to give clearer indications of which cost reductions can be effected. The expanded level of supervision and administrative improvements will contribute to more effective utilization of staff, facilities and resources. An assessment of the progress toward meeting these objectives will be undertaken by the Monitoring and Evaluation Unit at the end of the project.

Date Approved: March 28, 1985.

ENERGY: The Second Gas Development Project will consist of: (a) a gas field appraisal and development component that will comprise the drilling of nine wells, the workover of two existing wells, and a reservoir study for each producing field; (b) a gas infrastructure component to bring the gas fields of Kailashtila, Beani Bazar, and Rashidpur into production, involving the construction of an approximately 117-mile long gas pipeline with the necessary gas and condensate treatment facilities; and (c) pilot Compressed Natural Gas (CNG) applications; and (d) training and technical assistance.

Borrower/Implementing Agency: Bangladesh, Bangladesh Oil and Gas Corporation (Petrobangla).

Terms: $110.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $221.0 million equivalent.

Purpose and Benefits: The project will support Petrobangla's efforts to: (a) expand gas supplies in line with incremental demand expected over the medium term and produce the country's first significant quantities of condensate; (b) initiate an appraisal program of the main gas fields to provide a preliminary basis for their long-term development; and (c) strengthen its management capability, particularly in the areas of field management and production planning. The development component of the project will generate substantial additional quantities of natural gas and condensate. On the basis of conservative estimates of future production levels, the project is expected to produce about 0.9 TCF of gas and 8 million bbl of condensate over a twenty-year period (excluding any production from the appraisal wells at the main gas fields). Although additional gas supplies could be made available in the Dhaka area at a lower investment cost by accelerating the development of the Titas, Habiganj, and/or Bakhrabad gas field, the project represents the most attractive supply option available because of the additional revenue from condensate (about 20.0 million dollars per annum), which will more than offset the additional cost in transmission infrastructure.

Date Approved: April 30, 1985.

AGRICULTURE: The Flood Rehabilitation Project will comprise priority components of the Government's program to rehabilitate flood damaged facilities and will include: (a) rehabilitation of irrigation, drainage and flood protection works; (b) rehabilitation work on roads and associated structures; (c) procurement of road construction equipment; (d) replacement of navigational aids and water gauging equipment; (e) repair of river landing jetties; and (f) provision of technical services by local and foreign consultants.

Borrower/Implementing Agency: Bangladesh.

Terms: $30.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $48.23 million equivalent

Purpose and Benefits: With the restoration of flood damaged infrastructure, the efficiency of road and waterway systems, will be insured and flood protection and irrigation and drainage schemes will be established. The 1984 floods caused substantial foreign exchange losses and brought heavy and unexpected pressure on the Government budget. The proposed project will partly meet the cost of these unforeseen developments, while the required restoration work will have to be carried out at the expense of other development activities.

Date Approved: April 30, 1985.

AGRICULTURE: The Third Flood Control and Drainage Project will consist of three sub-projects (Gumti Phase I, Naogaon Polder I and Madhumati-Nabaganga), covering an area of 104,500 ha under flood control and drainage (FCD) and 14,350 ha under irrigation. About 115,000 farm families or about 670,000 people will benefit. The project will include: (a) the construction and rehabilitation of embankments, water control structures, drainage channels and irrigation facilities and the upgrading of roads; (b) support the BWDB to improve the planning, design, and monitoring of FCD projects, and to improve land acquisition and operation and maintenance procedures; and (c) the preparation of programs for the further development of agriculture and fisheries within the project area.

Borrower/Implementing Agnecy: Bangladesh, Bangladesh Water Development Board (BWDB).

Terms: $48.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $65.0 million equivalent.

Purpose and Benefits: About 115,000 farm families, the equivalent of 670,000 people, will directly benefit from the project as a result of increased production and increased employment opportunities. Mainly as a result of controlled flooding, improved drainage on 104,500 ha, and irrigation on 14,350 ha, the project will contribute an annual incremental production of about 100,000 tons of paddy and 13,000 tons of wheat and other crops. Although the overall income distribution will remain essentially unchanged, the project will substantially reduce the level of absolute poverty in the subproject areas. Most important, controlled flooding and improved drainage will permit further agricultural development. The economic rate of return for the project as a whole is estimated at 23 percent.

Date Approved: May 7, 1985.

BENIN

TECHNICAL ASSISTANCE: The Planning and Economic Management Technical Assistance Project will consist of: (a) services of consultants and experts; (b) costs of training activities (local staff salaries excluded); (c) fellowships; (d) office equipment, computers and vehicles; (e) salaries of the project unit's personnel and operating costs of the project unit; (f) expenditures to be specified under the "activities to be identified" component of the project; and (g) repayment of the advance from the Project Preparation Facility.

Borrower/Implementing Agency: Benin, Ministry of Plan and Statistics (MPS).

Terms: $5.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $8.5 million equivalent.

Purpose and Benefits: The project will aim at reinforcing the capacity of the Government for planning and economic management. This broad objective will be pursued by: (a) services of consultants and experts; (b) costs of training activities (local staff salaries excluded); (c) fellowships; (d) office equipment, computers and vehicles; (e) salaries of the project unit's personnel and operating costs of the project unit; (f) expenditures to be specified under the "activities to be indentified" component of the project; and (g) repayment of the advance from the Project Preparation Facility. Benefits will accrue to Benin over many years as the advice and training provided lead to an increased Government capacity to: (a) prepare macroeconomic and sector plans, sound projects, and realistic investment programs, (b) properly manage public finance including the external debt, and (c) improve the data and information base.

Date Approved: December 13, 1984.

BHUTAN

INDUSTRY: The Calcium Carbide Project will consist of: (a) a calcium carbide plant; (b) limestone mining; (c) forestry; and (d) charcoal plants. In addition, the project provides for necessary infrastructure, technical assistance and training. Bhutan is endowed with large-scale deposits of commercially exploitable limestone, dense and maturing forests that can provide wood for charcoal for use as a reductant, and substantial hydroelectric power potential which is beginnning to be exploited. The project aims at utilizing these basic inputs for production of calcium carbide, mainly for export, to help Bhutan earn much-needed foreign exchange revenues for its economic development. The project will augment the country's limited industrial base, increase financial self-reliance and help train manpower in industrial production, mining and forestry. The project, with a capacity to produce 22,000 tons per year of calcium carbide, will be located at Pasakha in Southern Bhutan.

Borrower/Implementing Agency: Bhutan, Bhutan Carbide and Chemicals Co. Ltd. (BCC).

Terms: $9.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $23.9 million equivalent.

Purpose and Benefits: The project, one of the largest industrial ventures undertaken in Bhutan, represents a major step in the country's development efforts. The project will generate foreign exchange revenues of more than $10.0 million equivalent per year from the export of products. The net foreign exchange earnings of the project during its first 12 years of operation, after accounting for imported materials and services but excluding debt servicing, has been estimated at about $65.0 million at March 1985 prices. The project, as a result of corporate income taxes paid and dividends distributed, will become a major source of revenues for the Government. It will also stimulate the development of upstream facilities such as limestone mining, forestry development and charcoal production, and downstream facilities for production of acetylene gas, acetylene black, oxygen, and desulfurizing compound. The project will provide direct employment to about 300 persons and indirect employment to at least another 500. In addition, it will also provide training for Bhutanese nationals in several trades, and thereby assist Bhutan in its goal of increasing the number of trained nationals. The project's economic rate of return (ERR) is calculated at 20.7 percent.

Date Approved: May 16, 1985.

BOTSWANA

AGRICULTURE: The National Land Management and Livestock Project will consist of : (a) provision of credit and skilled management for the establishment of commercial ranches by individuals and groups according to national policy guidelines; (b) far-reaching reform of the system of land-use planning and management; (c) upgrading of trek routes; and (d) technical assistance for institutional coordination, training and extension, project management, range ecology, and analysis of pricing, cost-recovery and taxation policy.

Borrower/Implementing Agency: Botswana, National Development Bank (NDB).

Terms: $10.7 million equivalent IBRD loan. 19 years at the Bank's standard variable interest rate per annum. Total project cost: $17.8 million equivalent.

Purpose and Benefits: The project will strengthen the Government's institutional capability to promote more rational and effective utilization of Botswana's vast and overgrazed traditional rangelands. Specifically, it will: (a) support the Government's long-range land tenure reforms; (b) increase commercial livestock production and improve its efficiency; (c) promote equity through developing assistance programs for small and medium-scale cattle-holders; (d) encourage improved herd management and range conservation; and (e) strengthen institutions responsible for both livestock development and wildlife management. The economic rate of return is estimated at 16 percent.

Date Approved: June 4, 1985.

BRAZIL

INDUSTRY: The Third Development Banking Project will consist of: a loan of $300.0 million to the National Economic and Social Development Bank. This loan will finance a program of direct loans to larger enterprises, and a program through state and regional development banks (SDBs), investment banks and state commercial banks, to finance principally smaller scale enterprises, at real interest rates from 6 percent to 12 percent p.a. depending upon the region, type of project, and size of enterprise financed. The principal of the subloans will be adjusted for inflation in accordance with changes in the Obrigacoes Reajustaveis do Tesouro Nacional index.

Borrower/Implementing Agency: Brazil, National Economic and Social Development Bank (BNDES).

Terms: $300.0 million equivalent IBRD loan. 15 years at the Bank's standard variable interest rate per annum. Total project cost: $937.2 million equivalent.

Purpose and Benefits: The basic objectives of the project will be as follows: a) to provide term credit on reasonable terms to enable larger manufacturing companies to initiate a program to export or increase exports; to this effect, the project will help finance the introduction of quality control systems to reorient production or adapt it to the needs of foreign markets; b) to provide additional resources for small and medium enterprises; and c) to establish within BNDES the procedures and capabilities for doing economic analysis, to begin using economic analysis in project selection and evaluation, and to continue the process of expanding the capability and procedures in the state and regional development banks for doing economic evaluation of the larger projects they finance.

Date Approved: January 29, 1985.

EDUCATION: The Science and Technology Project will consist of the foreign exchange costs of the 1984-86 time slice of Brazil's Program for Support of Science and Technology Development (PADCT). PADCT provides for research and human resources development is six fields: Chemistry and Chemical Engineering, Biotechnology, Geosciences and Mineral Technology, Instrumentation, Science Education, and Science Planning and Management. PADCT also includes four National Science Service Programs to address sector-wide service deficiencies: Basic Industrial Technology, Science Information, Chemical Reagents and Research Consumables, and Spare Parts, and Maintenance.

Borrower/Implementing Agency: Brazil, Support Program for the Development of Science and Technology (PADCT).

Terms: $72.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $215.4 million equivalent.

Purpose and Benefits: The project will improve the decision-making and project-funding systems in science and technology research and human resources development, as well as the provision of needed services to improve the productivity of overall sectoral efforts. PADCT is expected to improve the productivity of the science and technology development sector by improving the relevance, effectiveness, and efficiency of research and scientific education.

Date Approved: January 29, 1985.

AGRICULTURE: The Northeast Rural Development Project is the first in a series of projects within the new Northeast Rural Development Program, designed to increase, on a regional basis, the efficiency and impact of rural development efforts. The project will improve the beneficiaries' standards of living, incomes, and employment opportunites. It will support water resource development for both production and consumption, adaptive agricultural research and rural extension, rural investment credit, marketing services, funding for community sub-projects, and state project coordination. The project will also provide support for regional program administration and regional agricultural research and research coordination. The regional activities will assist in the implementation of rural development projects in all ten Northeast states, thereby benefiting an estimated 600,000 farm families expected to be reached during the first five-year phase of the Northeast Rural Development Program.

Borrower/Implementing Agency: Brazil, SUDENE, EMBRAPA, Sergipe's State Coordinating Unit (SCU).

Terms: $61.3 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $130.3 million equivalent.

Purpose and Benefits: With the project, the introduction of crops better able to resist droughts will improve yield reliability and income stability. Although cropping patterns are not expected to change dramatically, farmers will introduce new and more profitable cash crops and sheep dairy production and forage crops. The weighted average annual family income of project beneficiaries at full development is estimated at $2,700 dollars for rainfed farmers and $3,400 thousand dollars for farmers with irrigation, representing increases of 140 percent and 89 percent respectively, over present income levels. The economic rate of return for the project has been estimated at 19 percent. Not all projects benefits are accounted for in the economic rate of return analysis. Research and extension should result in production increases for other farmers. The expanded agricultural activity would create new farms employment (some 6,700 man-years annually at full development).

Date Approved: April 30, 1985.

AGRICULTURE: The Northeast Rural Development II Project is the second in a series of projects within the new Northeast Rural Development Program, designed to increase, on a regional basis, the efficiency and impact of rural development efforts. The project will improve the beneficiaries' standards of living, incomes, and employment for both production and consumption, adaptive agricultural research and rural extension, rural investment credit, marketing services, funding for community sub-projects, and state project coordination.

Borrower/Implementing Agency: Brazil, State Agricultual Planning Foundation of Rio Grande do Norte.

Terms: $61.4 million equivalent IBRD loan; 15 years at the Bank's standard varible interest rate per annum. Total project cost: $136.2 million equivalent.

Purpose and Benefits: Some 35,000 low-income families operating farms of up to 100 ha in the State of Rio Grande do Norte will be the direct beneficiaries of farm improvement components. An additional 70,000 families will also benefit from the water supply, community development and marketing services components. Estimated financial rates of return for appraised farm models range from about 17 percent to 70 percent and are mainly a reflection of low current incomes, low cost and rapid return investment packages, and technology improvements. The introduction of crops better able to resist droughts will improve yield reliability and income stability. Although cropping patterns are not expected to change dramatically, farmers will introduce new and more profitable cash crops and sheep dairy production and forage crops. The weighted average family income of project beneficiaries at full development is estimated at 2,410 thousand dollars for rainfed farmers and 5,560 thousand dollars for farmers with irrigation representing increases of 197 percent and 132 percent respectively, over present income levels. The economic rate of return for the project has been estimated at 18 percent.

Date Approved: April 20, 1985.

WATER SUPPLY AND SEWERAGE: The Technical Assistance and Pilot Rural Water Supply and Sanitation Project will consist of: (a) studies of the organization of the sector and the reordering of institutions, financial policies, including a system of finance, tariffs and cost recovery; community promotion; and training requirements; (b) an inventory of technologies and technical standards; (c) the preparation of state investment plans; (d) special assistance to ten Northeast states for project preparation including implementing community participation programs; and (e) equipment. The component will also finance special assistance to the emergency water works included in the Northeast's Small Farmer Program (PAPP to be financed by proposed rural development projects. The pilot component will support the above objectives by testing and evaluating the delivery of services. It will finance water supply and sanitation in the State of Rio Grande do Sul including engineering of about 200 community water systems, 10,000 individual sanitation units, 5,000 latrines, technical assistance, training and equipment.

Borrower/Implementing Agency: Brazil, Institute of Economic and Social Planning (IPEA) and the Secretary of Interior, Regional Developments and Public Works, Department of Urban Development and Municipal Administration of the State of Rio Grande do Sul (SURBAM).

Terms: $16.3 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $15.9 million equivalent.

Purpose and Benefits: The pilot component will benefit 200 low income communities consisting of about 146,000 people in the State of Rio Grande do Sul. The results of the studies undertaken through the national technical assistance component will benefit eventually the rural poor throughout Brazil and particularly in the less developed Northeast Region. The objective of the project is to assist the Government of Brazil in establishing a policy for providing water supply and sanitation in rural areas, defining sector goals at the Federal and State levels, and institutional responsibilities.

Date Approved: May 7, 1985.

TRANSPORTATION: The Federal Railways Export Corridor Project will consist of: (a) a set of action plans and programs aimed at RFFSA's financial rehabilitation and at improving its commercial performance, and (b) two rehabilitation and improvement projects designed to increase transport efficiency in the Parana and Goias-Minas Gerais export corridors. The policy and institutional development (section mining) railway's operations and network; upgrading tariffs, marketing, and cost control; improving operations and maintenance efficiency; strengthening planning and management systems; and improving transport coordination in the Southeast corridors.

Borrower/Implementing Agency: Rede Ferroviaria Federal S.A. (RFFSA).

Terms: $200.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $422.0 million equivalent.

Purpose and Benefits: The project will contribute to more efficient resource use in the transport sector, particularly through further specializing the railway in the services for which it has comparative advantage over road transport, and to reducing public sector deficits. It will also contribute to facilitating exports, especially the export of grains and grain products from the states of Parana and Mato Grosso do Sul, and from the "Cerrados" region of Goias and Minas Gerais, as well as the export of various industrial products. In addition to supporting the economic rationale of the project, which is consistent with the rationale underlying Brazil's stabilization program, the Bank will, in extending the loan, provide support to RFFSA and the Government to gradually turn the federal railway, through the implementation of a set of policies and action plans, into a commercially viable freight carrier. The estimated economic rate of return is 21 percent.

Date Approved: May 30, 1985.

ENERGY: The CHESF-FURNAS Power Transmission Project will support Government efforts to reverse the financial deterioration of the sector. It is a priority project within the Government's 1984-88 Sector Development Plan which the Bank has analyzed and approved. The loan will finance the construction of transmission facilities included in the 1985-1992 transmission expansion programs of Companhia Hidro Electrica do Sao Francisco (CHESF) and Furnas Centrais Eletricas S.A. (FURNAS). It provides for the construction of about 1,730 circuit-kilometers of high voltage (HV) transmission lines; construction of eight new substations including the installation of about 5,400 MVA of transformer capacity and about 520 MVAR of reactor and capacitor banks; expansion of sixteen existing substations adding about 1200 MVA of transformer capacity and about 1,260 MVAR of reactor and capacitor banks. The project also includes training programs for CHESF and FURNAS.

Borrower/Implementing Agency: Centrais Electricas Brasileiras S.A. (Electrobras/Companhia Hidro Eletrica do Sao Francisco (CHESF), Furnas Centrais Electricas S.A. (FURNAS).

Terms: $400.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $772.6 million equivalent.

Purpose and Benefits: The project will allow two utilities to: meet Brazil's market power needs especially in the industralized cities located in the states of Sao Paulo, Rio de Janeiro, Minas Gerais, Pernambuco, Bahia, Alagoas, Paraiba, Ceara, Piaui and Sergipe; transfer the electricity generated at the Itaipu hydroelectric plant (now being commissioned) to the main consumption centers of the Southeastern and Central-Western systems; achieve higher system efficiency by reinforcing CHESF and FURNAS networks and by interconnecting some isolated systems (presently fuel consuming); and bolster CHESF's and FURNAS' managerial and administrative capabilities through training programs.

Date Approved: June 4, 1985.

ENERGY: The Southeast Power Distribution Project will support Government efforts to reverse the financial deterioration of the sector. It is a priority project within the Government's 1984-88 Sector Development Plan which the Bank has analyzed and approved. The loan will finance the expansion of power distribution systems in highly industrialized areas; studies and training for power distribution planning; and studies for the preparation of energy conservation programs.

The project consists of portions of the investment programs in distribution of the three beneficiaries.

Borrower/Implementing Agency: Centrais Electricas Brasileiras, S.A. (ELETROBRAS); Electricidade de Sao Paulo S.A. (ELECTROPAULO), Servicos de Eletricidade S.A. (LIGHT), Companhia Paulista de Forca e Luz (CPFL), Centrais Eletricas Brasileiras S.A. (ELECTROBRAS).

Terms: $312.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $1,081.0 million equivalent.

Purpose and Benefits: The project will allow the beneficiaries to distribute the energy generated at hydroelectric plants nearing completion to meet projected demand in the most populated and industrialized areas in the country; to restore or maintain the reliability of service to key consumer groups; and, to start with the preparation of electric energy conservation programs. The economic rate of return was calculated on the entire investment programs of the beneficiaries. The internal rate of return for ELECTROPAULO's, LIGHT's, and CPFL's investment programs are about 8.7 percent, 5.4 percent, and 17.0 percent respectively, using revenues based on projected average retail tariffs, which have been agreed with the Bank, as a proxy for benefits, and costing electricity purchases at the long-run marginal generation cost. This is consistent with the findings of the DNAEE Tariff Study, which indicates that retail tariffs do not reflect appropriately long-run marginal costs. However, if the electricity purchases are cost at the current bulk energy tariff, the rates of return will increase to 23 percent, 17.6 percent and 33.3 percent, respectively. Major differences between rates of return for the beneficiaries reflect the fact that beneficiaries like LIGHT and ELETROPAULO are relatively investing more than CPFL in the rehabilitation of their distribution system.

Date Approved: June 4, 1985.

AGRICULTURE: The National Land Administration Program and Northeast Region Land Tenure Improvement Project will consist of: (a) identifying and delimiting all private and public properties within an area of some 31 million ha of rural land in the Northeast region over a period of about three and a half years; (b) regularizing the tenure of all rightful occupants; (c) selecting, planning the use of and initially administering lands to be acquired by the Government for redistribution to some 130,000 presently landless farmers or farmers whose excessively small properties need to be reallocated; and, (d) confirming the titles of all legitimate landowners and providing titles to beneficiaries of land regularization, reallocation, or redistribution operations; (e) establishing cadastral data banks in each of the nine Northeast states and the State of Minas Gerais for the legal, fiscal, and economic administration of private and public lands; (f) strengthening land institutions in staff and equipment; and (g) carrying out various legal, institutional, and socioeconomic studies.

Borrower/Implementing Agency: Brazil, Ministry of Agrarian Reform and Development.

Terms: $100.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $250.5 million equivalent.

Purpose and Benefits: The greater security of tenure, the project activities in support of land restructuring, and the planned improvements in the system of collecting and updating cadastral data will yield significant benefits. Farmers will acquire better access to on-farm investment credit and will be more motivated to improve their lands. Clarification of ownership rights and better tenure conditions are also expected to reduce land conflicts and their unusually violent outcomes, contribute to a slowing in rural/urban migration, and reduce the waste of resources associated with the present costly and time consuming movements of sharecroppers to different lots each year. Furthermore, an improved cadastral data base will strengthen the Government's ability to administer land resources and promote patterns of land tenure and use consistent with the country's agricultural and social objectives. By helping provide an improved valuation basis for land taxes the project will help promote a more intensive use of agricultural land, particularly in the larger, underutilized farms.

Date Approved: June 25, 1985.

URBANIZATION: The Santa Catarina Small Towns Improvement Project will consist of: (a) subloans financing subprojects to be carried out by municipalities for urban infrasturcture, productive activities, community facilities, and equipment; and (b) technical assistance.

Borrower/Implementing Agency: The State of Santa Catarina, Planning Secretariat of the State of Santa Catarina (GAPLAN).

Terms: $24.5 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $45.5 million equivalent.

Purpose and Benefits: The objectives of the project will be to strengthen the managerial and financial capability of the municipalities, improve resource allocation and provide basic economic and social infrastructure which would contribute stimulating production and exports in an important industrial state. The project will contribute to the decentralization of urban administration and financial management. The economic rate of return is estimated at 29 percent.

Date Approved: September 19, 1985.

BURKINA FASO

ARGICULTURE: The Fertilizer Project will finance: (a) part of the cost of importing chemical fertilizer for cereal cultivation over the four-year period during which fertilizer subsidies will be eliminated; (b) a five-year program of field trials to identify more suitable fertilizers for cereal cultivation; (c) a feasibility study for a small fertilizer production unit and, if found technically and economically justified, its construction; (d) the promotion of domestic rock phosphate use; (e) a five-year credit component to finance fertilizer distribution and help farmers finance fertilizer purchases; (f) a unit to coordinate, monitor and evaluate the proposed project; (g) a component for the training of ORD and project accountants; and (h) studies.

Borrower/Implementing Agency: Burkina Faso, Ministry of Agriculture and Animal Husbandry.

Terms: $13.7 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $24.1 million equivalent.

Purpose and Benefits: The project seeks to improve fertilizer subsector policies and the structure of fertilizer use by removing subsidies and other distortions, identifying and providing better and cheaper fertilizers, and eliminating supply inadequacies. The present system and pattern of fertilizer use for cereals is not sustainable in the long run and does not lend itself to further expansion. Through policy reforms, the system is to focus increasingly on domestic sources of supply (animal manure and other organic matter; rock phosphate) and, where economically justified, on cheaper kinds of imported chemical fertilizers. In the process, the project will create a pattern of fertilizer use for food crops whereby farmers use the type best suited to their particular crop and land, thereby lowering the cost of fertilization for the country as a whole. The economic justification for the project can be grouped under the following four headings: (a) appropriate price incentives to farmers, in order that they will use the type of fertilizer and method of fertilization (including use of organic matter and animal manure) best suited to their land, crops and agricultural techniques; (b) the dynamic effects of increasing the cost of chemical fertilizer, which will encourage more accurate application resulting in higher yields per input unit; (c) the saving that will arise from elimination of submarginal use of chemical fertilizer by farmers for whom it is profitable at subsidized prices, but which represents a loss for the economy as a whole; and (d) regularity of chemical fertilizer supplies through the elimination of the recurrent financing problem posed by cereal fertilizer subsidies.

Date Approved: February 26, 1985.

EDUCATION: The Primary Education Development Project has as its main objective the implementation of a financing strategy designed to accelerate the expansion of primary education through reduction of primary education unit costs and development of the central institutions' capabilities for planning, managing and controlling education costs. In order to reduce unit costs, the main category of primary school teachers (instituteurs-adjoints) would be recruited at a lower salary level, and the internal efficiency of primary education will be improved through better focused training of teachers, combined with the development of a textbook production, procurement and distribution capability. To reduce primary school construction costs, low-cost designs for classrooms, as well as ways to encourage local initiatives in school building, will be developed and introduced through a pilot school building program. By the same token, a system of periodic school maintenance and repair will be established in the project area. To develop the central institutions' capabilities for planning, managing and controlling education costs, with a view to maintaining reduced unit costs over the long-term and to carry out the necessary resource allocations within the sector, the project will strengthen the Educational Planning Directorate and the Education Project Directorate in MEN, the Guidance and Fellowships Directorate in MESRS, and the Rural Youth Training Directorate in MAE.

Borrower/Implementing Agency: Burkina Faso, Ministry of Education (MEN), Ministry of Agriculture and Livestock (MAE), and Ministry of Higher Education and Scientific Research (MESRS).

Terms: $21.6 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $23.2 million equivalent.

Purpose and Benefits: The project will establish a framework for expanding primary education by (a) restructuring and reducing costs of primary schooling through implementing cost-efficient modes of providing the major inputs (teachers, textbooks and classrooms), and (b) assisting in institution-building efforts throughout the education system which will lend to a more efficient use of resources and make possible a gradual reallocation of funds in favor of primary education.

Date Approved: May 21, 1985.

HEALTH: The Health Services Development Project will upgrade 142 existing health dispensaries into centers for Health and Social Promotion (CSPS); upgrade six existing medical centers to serve as surgical referral centers; train and supervise CSPS staff in each of the 30 provinces; finance tests and studies to find appropriate village-level approaches that would be operational and financially viable on a national scale for the 50 percent of the rural population that do not have ready access to a CSPS; provide vaccination coverage in 15 provinces and major urban centers to children under four against measles, pertussis, poliomyelitis, diptheria, tetanus and tuberculosis; would inoculate the 1-15 age groups against yellow fever and meningitis; provide chloroquine nationally for the national malarial program; promote health policy development; finance studies aimed at determining detailed measures needed to implement effectively health and population programs; finance studies and tests to extend cost recovery from national hospitals to the provincial hospitals and to the CSPS. Provide 24 man-months of technical assistance to strengthen central drug procurement, to improve prescription practices and, to launch a public information campaign on the benefits of generic drugs; study the extension of basic health services to villagers; support current effects to establish a national population program and continue to support the strengthening of the MOPH's health planning and coordinating capability at the national level.

Borrower/Implementing Agency: Burkina Faso, Ministry of Public Health.

Terms: $26.6 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $28.0 million equivalent.

Purpose and Benefits: The project will principally improve the quality and accessibility of health services available to more than half the total population of Burkina. It will also improve the quality of preventive and curative services by increasing the skills and performance capability of rural health staff, by improving the supply of essential drugs, and by promoting village-level health and nutrition programs. Due to improved procurement and distribution practices, essential drugs will be available to the population at reduced costs. In addition, the gradual introduction of cost recovery measures will provide additional revenue required for more efficient functioning of health services at all levels of the system. The project will help lay the basis for a national integrated program of maternal and child health and family planning services in both urban and rural areas. The project help strengthen institutional mechanisms thus allowing for improved health sector planning, policy implementation and donor coordination.

Date Approved: June 11, 1985.

BURMA

AGRICULTURE: The Second Seed Development Project will consist of: (a) institutional development; (b) farm and seed development; (c) seed processing and storage; (d) seed quality control; (e) applied research; and (f) technical assistance and training.

BURMA – Continued

Borrower/Implementing Agency: Burma, Agricultural Corporation (AC) of Ministry of Agriculture and Forests.

Terms: $14.5 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $28.5 million equivalent.

Purpose and Benefits: The project will have four principal objectives: (1) to strengthen an existing seed unit within AC to become a modern seed production organization with technical expertise and management capability, and the necessary infrastructure for rapid dissemination of seeds of improved crop varieties; (2) strengthen the plant breeding and applied research program, which is an essential element of any successful seed multiplication scheme; (3) establish an efficient seed multiplication, processing and storage program, including the fourth generation (Certified Seed) production under controlled conditions; and (4) ultimately to establish the basis for a successful crop diversification program. The economic rate of return is estimated at 48 percent.

Date Approved: June 20, 1985.

TRANSPORTATION: The Timber Distribution Project will consist of: (a) establishing a project coordination group (PCG) within CMCC, to plan and coordinate activities related to the movement of timber; (b) comprehensive study; (c) technical assistance and training; (d) the Myitkyina corridor rail-road system; (e) sawn timber; (f) containerization; (g) barge system; and (h) shiploading.

Borrower/Implementing Agency: Burma, Ministry of Transport and Communications (MOTC).

Terms: $17.8 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $29.0 million equivalent.

Purpose and Benefits: Transport capacity, in general, and the movement of timber in particular, are deteriorating at a juncture when Burmese exports are facing a major setback. Since teak is one of the principal export commodities, the project is designed to address the unique and immediate transport problems pertaining to timber distribution. The economic rate of return is estimated at 35 percent.

Date Approved: June 20, 1985.

BURUNDI

TRANSPORTATION: The Fourth Highway Project will consist of strengthening/resurfacing of 11 km of paved roads; improvement/regravelling of 81 km of country roads; routine maintenance of the entire paved road network (744 km); maintenance of selected earth roads (about 1,100 km); improvement/maintenance of bridges; labor-intensive maintenance of the entire classified road network (about 2,900 km); training and technical assistance; and consultant services.

Borrower/Implementing Agency: Burundi, the Ministry of Public Works.

Terms: $18.1 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $22.9 million equivalent.

Purpose and Benefits: The road network of Burundi is approaching a size which is adequate to meet the country's general and social needs. The Government now needs to concentrate its efforts on maintaining this important national asset. The project will be part of a three-year program designed to (a) continue and expand efforts begun under previous IDA financed projects to increase the Ministry of Public Works (MPW) capacity to maintain its road network; (b) train local staff; and (c) improve transport planning and coordination. The main benefits to be derived from the project will be: (a) savings in vehicle operating costs and (b) prevention of costly reconstruction in the future for paved roads. Additional benefits will result from improved road safety, reduced freight damage and accidents, and travel time savings. The major direct beneficiaries of the reduced transport costs and improved road safety will be the owners and operators of cars, trucks, and buses. Since the road transport industry is competitive, it is expected that producers and consumers alike will also benefit from the reductions in road transport costs. Improved road conditions will prolong lives of vehicles and reduce their maintenance/repair needs. Anticipated, reduced fuel consumption should result in savings from deferred, costly road reconstruction. With the majority of works to be undertaken in very low-income rural areas, and with the deliberate employment of labor-intensive techniques, the project also will contribute to poverty alleviation in project areas. The estimated economic rate of return is 51.0 percent.

Date Approved: April 23, 1985.

ENERGY: The Power Transmission and Distribution Project will consist of: (a) a 110 kV transmission line (83 km) from Ruzizi II to Bubanza; (b) construction of 110/30 kV substations in Bubanza and Cibitoke, two 30 kV subtransmission lines (42 km) to supply four regional towns, a 15 or 30 kv feeder to Katumba and distribution networks in these towns; (c) construction of distribution networks to consumers in six low-income districts of Bujumbura; (d) rehabilitation of the Bujumbura substation and Bujumbura-Ruzizi I transmission line; (e) consulting engineering services, management assistance to Regideso, establishment of a training center and technical assistance for the training center, and for the training of Regideso staff; and (f) continuation of the dissemination program of improved charcoal stoves in Bujumbura, and the services of an advisor to assist the Government in devising strategies to import petroleum products at least cost.

Borrower/Implementing Agency: Burundi, Regie de Distribution d'eau et d'electricite (Regidesco).

Terms: $12.3 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $24.5 million equivalent.

Purpose and Benefits: The project will assist the Government in: (a) extending Burundi's transmission and distribution network by (1) improving the reliability and supply of electricity to Bujumbura and its environs and (2) extending the availability of electricity to yet unserved markets; (b) strengthening the financial performance, management, and power planning functions in Regideso; (c) providing technical assistance services to obtain the most reliable and least cost arrangements for oil imports; and (d) continuing the stove dissemination program started under the Urban Development Project.

Date Approved: May 9, 1985.

AGRICULTURE: The Second Forestry Project will finance the second phase of a long-term afforestation program and assist the Government in establishing long-term production and marketing policies for the sub-sector. The main project objectives are: (a) to help meet the rapidly growing demand for wood; (b) to reduce Burundi's need for imports of timber, timber substitutes, and fuel; (c) to contribute to protecting the natural environment; and (d) to promote greater integration of cropping, forestry, and livestock activities at farm level. Ninety rural nurseries (including about 30 new ones) will produce plants for sale to the population. Agro-forestry will be promoted to address the rural population's needs for wood, fodder, shade and soil improvement. Pilot actions will be undertaken in a few plantation areas to integrate afforestation with livestock and agricultural improvement activities. About 3,500 ha of eucalyptus and 1,500 ha of pine plantations will be established in western Burundi; in addition 2,000 ha of woodlots will be established in communes all over the country.

Borrower/Implementing Agency: Burundi, Ministry of Agriculutre and Livestock and Forestry Department.

Terms: $12.8 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $17.0 million equivalent.

Purpose and Benefits: The project will benefit about 60,000 rural families, or about 8 percent of the farming community by increasing their supplies of fuelwood and poles. The eucalyptus and pine plantations will serve the urban population by meeting the needs for charcoal of about 60,000 people in Bujumbura. The pilot activities will primarily integrate better afforestation programs with agriculture and livestock. Agroforestry research will define better means to improve present farming systems. Finally, the Project will have a significant impact on employment.

Date Approved: July 16, 1985.

WATER SUPPLY AND SEWERAGE: The Rural Water Supply Project will consist of: (a) rehabilitation and extension of rural aqueducts in 33 areas; (b) strengthening the organization of the Department of Rural Water Resources and Electrification (DHER) and improving its management effectiveness through the provision of technical assistance and equipment; (c) training for DHER's staff and for the communal administrators, accountants, and water supply attendants; and (d) a program of sanitary education to sensitize the population to the use of potable water.

Borrower/Implementing Agency: Burundi, Ministry of Rural Developement.

Terms: $9.5 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $10.9 million equivalent.

Purpose and Benefits: The main objectives of the project will be to improve the quality and quantity of water provided to the rural population, thereby improving public health and the living conditions of women and children who often must walk long distances to carry water; to strengthen institutional arrangements and introduce cost recovery measures for the rural water supply sector; and to increase the responsibility of local communities in the maintenance and management of water supply facilities.

Date Approved: September 10, 1985.

CAMEROON

AGRICULTURE: The Third Hevecam Rubber Project will consist of: a) maintenance until production of areas planted under previous Bank-financed projects and initial tapping of about 9,400 ha; b) continuation of the program of infrastructure establishment, including estate buildings, housing for estate workers, and expansion of crumb rubber processing facilities (to a total capacity of 64 tons/day for latex and 32 tons/day for lower grades); and c) associated programs, namely the expansion to 500 ha of the outgrower program (from the 250 ha achieved under the second phase), a pilot program of food crop production aimed at provision of basic foodstuffs for workers, and studies and rubber trials (in the areas of Kribi and the Southern and Eastern provinces).

Borrower/Implementing Agency: Cameroon, Societe Hevea-Cameroun (HEVECAM).

Terms: $8.3 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $75.5 million equivalent.

Purpose and Benefits: The project will continue to be a focal point for the economic development of the Kribi region. Development of this sparsely populated forest area is heavily based upon the expansion of industrial scale plantation agriculture. In this region, the depleted, logged-over forest of little economic value will eventually be replaced by perennial tree crops, principally rubber and oil palm, planted under the HEVECAM and SOCAPALM projects. The expansion of rubber production will reduce Cameroon's heavy dependence on cocoa and coffee for its agricultural export earnings. The continuation of the pilot outgrower program, the studies for wider rubber development in the country, and the production-oriented experimental program under the project, will be important forerunners of an expanded national rubber program in the future. At maturity, the HEVECAM development will provide full-time employment for almost 6,000 workers. Ancillary employment opportunities, created by the existence of this large industrial complex, will also make a contribution to the future development and economic prosperity of the region. The estimated economic rate of return is 16 percent.

Date Approved: January 15, 1985.

TRANSPORTATION: The Sixth Highway Project will consist of: (a) physical development of the paved highway network, containing the following elements: (1) a four-year pavement strengthening program (about 600 km) through bituminous overlays and partial realignment where necessary; (2) the upgrading of about 150 km of gravel roads to paved standards; and (3) consultant services for the supervision of (1) and (2) above and the preparation of feasibility studies and detailed engineering of future road upgrading projects; (b) institutional development in the transport sector, containing the following elements: (1) technical assistance to MINEQ to improve road investment planning and maintenance planning and execution; (2) technical assistance to MINT to improve sector planning and road safety, including buildings and equipment for vehicle inspection; (3) technical assistance to PNMGC to improve its management and operations; (4) training for MINEQ, MINT, PNMGC, and Labogenie personnel together with selected fellowships; and (5) improvement of operational and training facilities in MINEQ, PNMGC, and Labogenie, including buildings, equipment and teaching aids.

Borrower/Implementing Agency: Cameroon, Ministries of Equipment (MINEQ) and Transportation (MINT).

Terms: $125.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $295.0 million equivalent.

CAMEROON – Continued

Purpose and Benefits: The main objectives of the project are: (a) to increase road transport capacity, while reducing transport costs and protecting past investments in the paved highway network; (b) to consolidate past efforts in institutional development for the transport sector; (c) to strengthen the management system of PNMGC to improve its productivity and its control of resource utilization; and (d) to strengthen Labogenie's operational and research capacity.

Date Approved: June 18, 1985.

AGRICULTURE: The Second Rural Development Fund Project will consist of: (a) institutional development, i.e., the strengthening of agricultural planning, project preparation and appraisal capacity at the regional level; the strenghtening of RDF management at central and regional levels; three priority studies; and a line of credit for small-scale, high priority rural activities to be identified and designed to complement ongoing rural development programs; and (b) identified subprojects, i.e., rural water supply (drilling of 1,000 boreholes); bottomlands development; bullock-fattening; groundnut marketing and shelling; functional literacy training; and access roads construction (350 km) and maintenance.

Borrower/Implementing Agency: Cameroon, National Fund for Rural Development (FONADER).

Terms: $25.5 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $44.4 million equivalent.

Purpose and Benefits: The Second RDF Project will support two important Government objectives: (a) the medium- to long-term objective of institution building at national, provincial, and village levels; and (b) the short-term objective of improving living conditions and incomes in rural areas through flexible implementation of selected high-priority rural interventions, which are not undertaken under existing projects or programs and for which there is no alternative financing. The estimated economic rate of return is 22 percent.

Date Approved: June 6, 1985.

CAPE VERDE

INDUSTRY: The Industrial Finance and Promotion Project will consist of: (a) a line of credit to BCV to finance productive investments in small- and medium-scale industrial enterprises; and (b) technical assistance.

Borrower/Implementing Agency: Cape Verde, Bank of Cape Verde (BCV), Secretariat of State for Industry and Energy (SEINE).

Terms: $4.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum.

Purpose and Benefits: The project will aim at assisting the Cape Verdean Government and BCV in identifying, appraising and financing economically and financially viable industrial projects and in creating the institutional structures needed to promote industrial sector development. The project will help broaden and diversify the country's economic base, create employment and establish an institutional structure capable of undertaking industrial promotion activities.

Date Approved: April 11, 1985.

CENTRAL AFRICAN REPUBLIC

TECHNICAL ASSISTANCE: The Second Technical Assistance Project will consist of: (a) the services of ten resident specialists in various fields; (b) short-term consultants to complement the activities of the resident specialists, prepare new projects, and assist the resident specialists in drawing up training programs; (c) funds for training, identification of possible future projects, and other project-related activities; (d) the services of a National Project Coordinator to help coordinate the contributions of national specialists, specialists provided by other donors, and the ten resident specialists provided under the project; (e) Project Administrator to carry out administrative and logistical tasks; and (f) housing, vehicles, office equipment and supplies, support staff, and other operating costs for project implementation.

Borrower/Implementing Agency: Central African Republic, High Commission for Planning.

Terms: $8.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $8.4 million equivalent.

Purpose and Benefits: The major objectives of the project will be (a) to assist the Government in preparing and implementing appropriate annual recovery/development programs aimed at achieving specific actions in the major productive sectors and specific targets in public finances; and (b) to strengthen the Government's capacity to formulate and implement a suitable medium-term development program. The first major project benefit will be the creation within the Government of a capacity to design and implement coherent, realistic rehabilitation/development programs, on both a short-term (annual) and a medium-term basis. By demonstrating its ability to prepare such programs and its commitment to implementing them (in particular, its political will to enforce austerity measures), the Government will enhance its credibility vis-a-vis private investors and the international donor community. A second major project benefit will be a substantial improvement in the Government budgetary procedures and investment preparation.

Date Approved: April 16, 1985.

CHILE

AGRICULTURE: The Agricultural Services and Credit Project will consist of: a) on-farm works and agroindustrial investment credit; b) short-term credit; c) technical assistance by private consultants for small-scale farmers and for INDAP.

Borrower/Implementing Agency: Chile, National Agricultural Development Institute (INDAP).

Terms: $56.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $157.2 million equivalent.

Purpose and Benefits: The project's main objective will be to increase agricultural output, especially of commodities for which Chile enjoys a comparative advantage; and help small-scale farmers to increase their earnings, improve their living conditions and develop their farms into commercially viable production units. In addition, INDAP's financial and operational position will be strengthened.

Date Approved: December 20, 1984.

URBANIZATION: The Public Sector Housing Project will consist of: (a) a package of policy improvements; (b) the construction of about 68,000 houses under the Social Housing Program (SHP); (c) the provision of about 47,000 houses under the Allocated Subsidy Program (ASP); and (d) studies and other technical assistance to address key sector issues.

Borrower/Implementing Agency: Chile, Ministry of Housing and Urbanism (MINVU).

Terms: $80.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $576.8 million equivalent.

Purpose and Benefits: The objectives of the project will be to support the Government's effort to address sector issues such as reducing and ultimately eliminating subsidies, increasing cost recovery, improving targeting, reviewing structural factors of the high cost of mortgage finance and assessing and implementing alternative sector policies; and to generate employment in housing construction and help reactivate the economy. The project will induce significant public sector savings through policy improvements and will benefit households below the country's estimated urban poverty threshold. Additionally, it will contribute substantially to timely economic reactivation by providing about 40,000 gross job-years of employment during 1984-1987.

Date Approved: December 20, 1984.

TECHNICAL ASSISTANCE: The Public Sector Management Technical Assistance Project will consist of technical assistance for: (a) improving the decision-making process in the public sector regarding economic policies, especially public sector investment; (b) improving the potential medium-to-longer-term performance of the public enterprises in terms of efficiency and their contribution to other economic objectives; (c) improving the quality of economic information and statistics supporting public sector decision-making; (d) developing a program of assistance to be administered by the Government's export promotion agency, PROCHILE, to the country's small- and medium-sized exporters in the areas of commercial information systems, international marketing and an external network of export-related services; and (e) undertaking special studies, selective training and other technical assistance.

Borrower/Implementing Agency: Chile.

Terms: $11.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $20.7 million equivalent.

Purpose and Benefits: The project will improve the Government's ability to guide the economy by improving economic policy execution and by harnessing better the considerable productive potential of the public enterprise and export sectors. Moreover, it will afford Government with sufficient resources for studies or other forms of technical assistance to respond flexibly in tackling priority issues as they arise.

Date Approved: March 14, 1985.

TRANSPORTATION: The Road Sector Project will consist of: (a) construction; (b) reconstruction; (c) upgrading; (d) routine, periodic, and deferred maintenance; (e) consulting and training services; and (f) procurement of road maintenance equipment.

Borrower/Implementing Agency: Chile, Ministry of Public Works.

Terms: $140.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $656.0 million equivalent.

Purpose and Benefits: The objectives of the project will be to help the Government to: (a) complete a major main road reconstruction effort; (b) continue to improve the organization and execution of overall maintenance for the remaining gravel roads in the basic road network; (c) reestablish a functional local road maintenance system with improved technical execution; (d) improve Vialidad's competence in the economic evaluation of road maintenance and re-habilitation activities; (e) streamline the road maintenance efforts of municipalities through a study of possible voluntary physical and financial contributions to the maintenance of the Secondary Local Network; and (f) strengthen the capability of Vialidad's Road Maintenance directorate through a comprehensive training program. The economic rate of return is estimated at 15 to 38 percent for the investment program and 49 to 100 percent for the maintenance program.

Date Approved: June 20, 1985.

INDUSTRY: The Industrial Finance Restructuring Project will consist of: (a) establishing and financing the institutional framework through which corporate restructuring will be devised, negotiated, and implemented; and (b) financing the purchase of capital goods and working capital necessary to maintain and increase production.

Borrow/Implementing Agency: Chile, Central Bank of Chile.

Terms: $100.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $300.0 million equivalent.

Purpose and Benefits: The project will help the Government to undertake a financial restructuring program of industrial corporations on a selective basis. The project is conceived as pilot effort that will be replicative in restructuring efforts carried on outside of the project. The project will help to remove the financial deadlock that is hindering the recovery of industrial production in Chile through the establishment of an institutional framework geared to promote the financial restructuring of selected industrial companies and the provision of foreign exchange financing needed by the restructured companies to carry out required investments.

Date Approved: July 16, 1985.

INDUSTRY: The Small and Medium Industry Project will consist of: (a) credit to small and medium industry (SMI) for fixed assets and working capital; (b) equity investments in (SMI); and (c) technical assistance and training.

Borrower/Implementing Agency: Corporacion de Fomento de la Produccion (CORFO), Servicio de Cooperacion Tecnica (SERCOTEC).

Terms: $40.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $75.0 million equivalent.

Purpose and Benefits: The project's main objective will be to promote increased employment, output, equity investment, and productivity in the SMI subsector. The project will provide investment financing for many firms which have never had access to the banking system. It will enable some firms to modernize their plant facilities and become more efficient producers, and will assist other firms to expand production. It will enable enterprises that have been damaged in the recent earthquake to rebuild their production facilities. It will also help potential exporters to find foreign markets and to develop products which could meet the standards of foreign consumers. It will assist other firms to incorporate the benefits of advanced technology into their production facilities.

Date Approved: August 27, 1985.

CHINA

ENERGY: The Second Power Project will consist of the construction of a 500 kV transmission line from Xuzhou to Shanghai, installation of five substations and provision of associated equipment, consultant services, and training. The project seeks to support industrial growth in east China by facilitating bulk power transfer between optimal generating sites and demand centers. It provides for the transfer of technology in extra high voltage (EHV) line and substation design, construction, operation and maintenance, overall system planning, investment programming and financial planning and control.

Borrower/Implementing Agency: China, Jiangsu Provincial Electric Power (JPEPB).

Terms: $117 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $282.8 million equivalent.

Purpose and Benefits: East China is one of the most important industrial areas in China, accounting for about 25% of total national production. Shortage of electricity has been one of the major constraints to economic development in this area. The loss of gross industrial production is estimated by ECEPA at 5 Yuan for every kWh of electricity not supplied. In JPEPB' service area, energy consumption has been growing at an average annual rate of about 10% from 1949 to 1970 and about 12% from 1971 to 1983. Growth rates in peak demand and energy generation over the past 14 years from 1970-83 are averaged at 8.1% p.a. and 10.5% p.a. respectively. Of the 19,889 GWh total energy consumption (including self-generation by captive plants) in 1983, 68% was consumed by industrial users, 26% by agricultural users, and 6% by transportation, residential and commercial users. Based on a reasonable load projection, the peak demand and energy generated for ECEPA would increase from 8,874 MW and 63,000 GWh in 1983 to 14,700 MW and 100,000 GWh in 1990, which represent average annual growth rates of 7.9% and 7.0%, respectively. Those for JPEPB would be increased from 3,230 MW and 18,235 GWh to 5,400 MW and 36,200 GWh, respectively, growing at annual rate of 8.0% and 6.7%. Since it is difficult to separate the benefits of transmission lines and substations from those of generation facilities, the economic analysis has been made on the basis of a complete system comprising the Xuzhou thermal power stations and the proposed project. This system would be fully balanced between generation and transmission capacity. Shadow pricing was applied. Benefits were calculated using the revenue at the prevailing average tariff. On this basis, the IERR is 14.0%.

Date Approved: February 19, 1985.

EDUCATION: The Second University Development project will consist of: (a) equipment and materials including books and journals related to engineering and economics/finance for about 35 subproject universities; and (b) technical assistance and equipment for five national programs comprising specialist services, fellowships, staff exchange, studies, and training centers.

Borrower/Implementing Agency: China, Ministry of Education.

Terms: $145 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $1,162 million equivalent.

Purpose and Benefits: As the first phase of a ten-year program (1985-94) to build up high-level technical and managerial manpower for national development, this development project aims to promote policy and institutional changes related to the engineering and economics/finance education subsector. Objectives include: relatively faster growth of enrollment in economics/finance and postgraduate education; broadening of present over-specialized curricula; accelerated in-service training and promotion of younger faculty; strengthening of experimental work and academic support services such as computer and audio-visual centers and libraries; improvement in longer-term manpower planning, facilities planning and university resource utilization; and introduction of project monitoring and evaluation. By 1990, the annual supply of engineering and economics/finance graduates is expected to increase to 180,000 and 50,000, respectively, which will meet the needs of central and provincial government agencies for technical and managerial manpower. The graduates will have received an improved quality of education under more efficient management. It is also expected that the capability of the Ministry of Education to systematically process and implement projects will improve as a result of the changes to be adopted under the proposed project. An important risk arises from the inherent difficulty in coordinating implementation by many subproject institutions managed by some 20 ministries. In order to reduce this risk, a central coordination committee, comprising representatives of the State Planning Commission, the Ministry of Finance and the Ministry of Education has been created.

Date Approved: February 26, 1985.

INDUSTRY/MINING: The Changcun (Luan) Coal Mining Project will consist of: (a) increasing coal production by about 4.5 mtpy by the early 1990s; (b) transferring technology in mine design, engineering and construction (especially the highly productive mechanized longwall exploitation technology); (c) introducing modern coal washing technology; and (d) fostering improved management technique for project scheduling, monitoring and cost control.

Borrower/Implementing Agency: China, The Luan Coal Industrial Company (Luan CIC).

Terms: $126.0 million equivalent IBRD loan. 20 years at the Bank's standard variable interest rate per annum. Total project cost: $357.0 million equivalent.

Purpose and Benefits: The project is an important element in the Government's policy to achieve a production level of 1,200 mtpy by the year 2000, entailing a massive expansion over the 715 million tons produced in 1983. Various actions are needed to attain this goal, among which the rapid development of modern large-scale mining units, wherever favorable geological conditions permit, will be critical. The Changcun Project will provide a model for such development by introducing advanced technology in a balanced manner, by strengthening institutional capabilities of the Luan CIC, as well as making a sizeable contribution to production (about 4.5 mtpy of ROM coal).

The project is well located vis-a-vis China's major consumption centers. The country's largest and lowest-cost extractable coal deposits lie in the north, while the largest consumption centers lie in the east, with the south being particularly deficient in coal. Despite costly transportation from Shanxi and other northern provinces to eastern and southern China, coal development plans rightly call for Shanxi to become a major pole of expansion in coal mining. In the context of Shanxi's coal expansion plans, the proposed project stands out because (a) Luan is close to the south-east edge of Shanxi, thus relatively close to the most coal deficient regions of the country; (b) the project's coal quality is well above average in the short supply nationally; and (c) the project's mining costs are favorable (estimated average annual cost of $14 per ton, as compared to LRMC of about $14-18 per ton). The project is therefore deemed to be part of a least cost development program nationally.

The economic rate of return of the project will be about 21 percent.

Date Approved: March 14, 1985.

AGRICULTURE: The China Seeds Project will consist of construction of processing and storage facilities, laboratories, offices, and staff housing for the 18 centers; improvement of farm roads and irrigation works at seed center farm sites; and provision of pre-cleaning, drying processing, testing, analytical and farm equipment. The project will also include technical assistance (32 man-months of consultant services) and training components designed to facilitate access by China's seed industry to advanced seed technology, modern quality assurance and control systems, and improved management methods available within the international community.

Borrower/Implementing Agency: China, National Seed Corporation (NSC).

Terms: $40.0 million equivalent IDA credit. 50 years with a 0.75 percent charge per annum. Total project cost: $86.8 million equivalent.

Purpose and Benefits: The principal long-term benefit resulting from the transfer of seed technology and expertise under the project centers will be rapid modernization of China's seed industry. The 18 project centers will serve as trial and evaluation units in designing plans for construction over the next two decades of over 300 additional seed production, processing and distribution centers throughout the country, and as catalysts and suppliers to new project seed centers. By including a broad range of major food and cash crops, the project will promote diversification of the seed industry at the same time as encouraging expanded production of certain crops – e.g., vegetables and fruits – expected to be in increased demand as incomes rise. The major benefit to the seed industry from strengthening National Seed Corporation operations will be establishment of uniform national standards for seed quality assurance and control, an essential first step in the planned expansion of interprovincial seed marketing and distribution. The model seed curriculum will contribute to raising the level of training in seed science and technology. Social benefits from the project include increased production and incomes for some 3.7 million farm families. The economic rate of return of the project is about 38 percent.

Date Approved: April 11, 1985.

WATER SUPPLY AND SEWERAGE: The Rural Water Supply Project will consist of: (a) providing safe drinking water to some six million people in 4,650 villages; (b) the development of management and monitoring systems and regulations for revolving funds, construction and operations; (c) the preparation of design, construction and operation manuals; and (d) a training program for trainers, planners, engineers, technicians and operators at the national, provincial, county and village levels.

Borrower/Implementing Agency: China.

Terms: $80.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $210.2 million equivalent.

Purpose and Benefits: The objectives of the project will be to build water supply facilities and to develop and strengthen systems, institutions and technology for the implementation of China's rural water supply program. The beneficiary villages are selected because their present water supply is inadequate, contaminated or too distant. The types of water systems will range from handpumps and rainwater storage tanks to pumped and piped systems (including some with treatment) with standpipes or hose connections, dependent upon environmental and economic conditions. The credit is consequently levered so that $7 of credit funds will provide safe water to one person.

Date Approved: April 11, 1985.

TRANSPORTATION: The Highway Project will consist of: (a) improving the quality of future construction works by modernizing highway design, and by updating and improving construction and material specifications; (b) increasing the cost-effectiveness of highway investments by improving economic evaluation techniques for the evaluation and selection of road investments, and by supporting the Government's new policy of moving to competitive bidding for public works; (c) supporting a highway research program, with particular emphasis on improving and strengthening the existing paved national road network, improving road capacity in congested areas, and improving road safety; and (d) strengthening the capabilities of staff working in the highways sub-sector by carrying out a training program. In addition, the project will support the Government's program for completing the national road network by constructing or improving about 230 km out of a total of 4,000 km of missing links in the network. It will also support a national program of improving economic activity in rural areas through the construction or improvement of about 1,400 km of rural roads.

Borrower/Implementing Agency: China, Ministry of Communications.

Terms: $42.6 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. $30.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $176.6 million equivalent.

Purpose and Benefits: The main benefit inpacted from the construction of national roads is substantial savings in vehicle operating cost (VOCs) resulting primarily from distance savings and to a lesser extent from reduced VOCs due to improved conditions. The benefits of rural roads to be constructed or improved under the project comprise transport cost savings as well as value added to production which the roads will make possible by reducing transport costs. The benefits will accrue to residents of the areas served, which are now accessible only by trails, with all transport by porters. The transport cost per ton km will fall from Y 3 – Y 4 at present to Y 0.2 with the roads. The largest benefit will be in terms of value added through the exploitation of resources which are uneconomical at the prevailing transport cost and impractical in terms of the hard labor involved. Since the roads to be constructed are in the more hilly areas of the various provinces included in the project, the resources are mainly from coal mining, construction materials, marble, timber and bamboo production; and only to a lesser extent from increased agricultural production of cash crops. Based on the combined costs and benefits of all project roads and some minor maintenance equipment to be provided under the project, the overall ERR of the project is 20 percent.

Date Approved: May 14, 1985.

TRANSPORTATION: The Second Railway Project will consist of: (a) upgrading and electrification of the line between Zhengzhou and Wuhan, a 547 km central section of the Beijing-

Guangzhou main line, and a 72 km feeder line to the large coal mines at Pingdingshan; (b) the first stage of a modernization program of the passenger coach factory at Changchun, which will provide technical assistance necessary to increase the quantity and improve the quality of current production and determine the investment needed for production of a new coach design of 1,500 per year; (c) assistance for new laboratories and staff training at the China Academy of Railway Sciences; (d) a Management Information System study to lay the basis for improving the railway's managerial and operational efficiency; and (e) assistance to railway universities in updating their curricula.

Borrower/Implementing Agency: China, Ministry of Railways.

Terms: $235.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $569.1 million equivalent.

Purpose and Benefits: The project will make a direct contribution to the Government's objective of increasing railway capacity to support economic growth. The project will increase railway line capacity in Central China on the important route between Zhengzhou and Wuhan and increase the production of passenger coaches. In addition, the project will strengthen applied research, continue the modernization of MR's management techniques, and advise on improvements in university curricula. By electrifying the Zhengzhou-Wuhan section of the Beijing-Guangzhou line, the project will provide more capacity to move coal from the rich fields of Shanxi and Henan provinces to the major consuming points that lie to the south, thereby easing the serious energy shortages in that region. Regional trade in grain and other essential commodities and passenger travel will be facilitated as well. By helping to increase production at the Changchun Passenger Coach Factory and improve coach quality, the project will help satisfy some of the rapidly growing demand for passenger travel. Further production increases and quality improvements will be facilitated by engineering studies of an improved coach design and by a feasibility study of expanding the Changchun factory.

Date Approved: May 14, 1985.

INDUSTRY: The Fertilizer Rehabilitation Project will consist of: (a) rehabilitation, modernization, and energy-saving modifications in the fertilizer plants of the five companies and training of their staffs; (b) equipment, data processing facilities and training to strengthen the research and design capability of the China Fertilizer Development Center (CFDC) and its member institutes; (c) study, to be conducted by the Ministry of Chemical Industry (MCI), of nitrogenous fertilizer production costs; and (d) technical assistance in international procurement.

Borrower/Implementing Agency: China, Ministry of Chemical Industry.

Terms: $97.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $186.8 million equivalent.

Purpose and Benefits: The main objectives of the project are to assist China to: (a) implement rehabilitation and energy-saving measures to improve efficiency and minimize production costs in the nitrogenous fertilizer plants of the five companies; (b) strengthen these companies' capabilities in project implementation, operations, and financial management; (c) strengthen the newly established China Fertilizer Development Center (CFDC) and its eight fertilizer research and design institutes to improve research and engineering capabilities in the fertilizer industry; and (d) develop strategies for modernizing medium-size fertilizer plants. The project meets China's objectives in the industrial sector – modernization of existing industrial facilities, technology upgrading and energy conservation, institutional improvements, and training. The technical renovation and energy-saving investments under the project are likely to be followed by similar investments in other fertilizer plants, as well as by other energy-intensive industries in the country. The project is important for the Government's efforts to prepare industrial enterprises for efficient operations under the reformed economic structure. The project will also improve the beneficiary companies' capabilities in plant operations and financial management. The outcome of the fertilizer production cost study will help provide a basis for formulating strategies to modernize medium-size nitrogen fertilizer plants.

Date Approved: May 14, 1985.

AGRICULTURE: The Forestry Development Project will consist of: (a) the establishment of about 82,000 ha of forest plantations; (b) forestry improvement; (c) construction or upgrading of about 1,430 km of forest roads to Class III standards and construction of about 500 km of forest tracks; (d) provision of logging trucks, wheeled and crawler tractors, logging and log handling equipment and passenger vehicles; (e) construction of buildings, utility lines, and other infrastructure related to forest fire protection and log handling; (f) construction of wood processing facilities; (g) strengthening of forest research and extension programs; and (h) provision of training and technical assistance.

Borrower/Implementing Agency: China, Ministry of Forestry.

Terms: $47.3 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $135.8 million equivalent.

Purpose and Benefits: The project will accelerate afforestation and improve management and exploitation of existing forests on 92 State Forest Farm (SFFs) in Guangdon, Heilongjian, and Sichuan. It will strengthen forest research facilitites in four provinces and establish extension centers in ten provinces. The major output from the project will include logs, poles plywood, tannin extracts, shuttles, and miscellaneous wood products such as furniture and packing crates. Through road building and provision of equipment, the project will improve access to existing mature forests and permit accelerated logging of natural stands. Without the project it is assumed that production from natural forests will decline by 20 percent annually in 1986-88, and remain at that level over the next several years. Production from plantations, virtually all of which will be established on cut-over land now of low or zero productivity, will begin with commercial thinnings after 1988. The estimated economic rate of return exceeds 50 percent.

Date Approved: June 11, 1985.

ENERGY: The Weiyuan Garfield Technical Assistance Project will consist of: (a) acquisition of reservoir and production data using modern technology; (b) a comprehensive diagnostic study including an assessment of key reservoir parameters, well completion and production methods, reservoir simulation and well simulation, and related pilot operations, as well as the design of an optimum development program; (c) essential equipment and instrumentation for data collection and production; and (d) training to strenghten East China Petroleum Institute and South West China Petroleum Institute and to assist Ministry of Petroleum Industry in undertaking a diagnostic study of the petroleum education requirements at the national level.

Borrower/Implementing Agency: China Ministry of Petroleum Industry (MOPI)

Terms: $25.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $30.0 million equivalent.

Purpose and Benefits: The project objective is to assist South West Mining District (SWMD) and the Government to undertake a pre-investment study of the Weiyan gas field in order to design a rehabilitation program that will maximize recovery of gas reserves. To make use of enhanced gas recovery methods and maximize ultimate recovery requires detailed knowledge of such parameters as the volume of the original and current gas reserves, the points of water breakthrough into the wells, and the effectiveness of the current gas and water production handling practices. The stimulation and fracturing methods used also need to be reviewed and will probably need to be redesigned and tested in pilot stimulation projects. Only then will it be possible to design a program for total field rehabilitation.

The original-gas-in-place at Weiyuan has been estimated by SWMD at 40 BCM. Cumulative production to date has reached some 12 BCM of gas remains in place. Taking account of the complex geological conditions at Weiyuan, and assuming a recovery factor of only 35%, which is about half of that of a normal gas field, there is a reasonable prospect that an additional 10 BCM of gas (10 million toe) might still be recovered. However, given the technological problems confronting the Weiyuan field, it is imperative that the economic considerations affecting the rehabilitation of the gas field and enhanced gas recovery be carefully examined while minimizing the investment risk. The low porosity and permeability of the reservoir could pose considerable difficulties to enhanced gas recovery. Further, the estimate of the original-gas-in-place is uncertain. It is precisely to minimize such risks and uncertainties that a diagnostic study is needed before committing to large-scale investments in enhanced gas recovery. Investment in the project could have a significant payoff if the gas reserve estimates and their productivity are confirmed and, difficult geological conditions notwithstanding, if ways and means are secured for enhancing the recovery of the remaining gas. Equally important, this approach, if found successful in Weiyuan, could be replicated in other parts of the Sichuan basin which face similar difficulties and geological conditions.

Date Approved: June 11, 1985.

AGRICULTURE: The Pishihang-Chaohu Area Development Project will consist of construction of control structures, bridges, drainage culverts, etc., and excavation to increase canal capacity in the Pishihang area, excavation of flood channels, construction of control gates and pumping stations in the Chaohu area; improvement of rural roads and power facilities; provision of chemical fertilizers; construction of buildings and provision of laboratory equipment and vehicles to extension, research, and training facilities. Technical assistance and training will be provided to improve management of the irrigation and flood control schemes.

Borrower/Implementing Agency: China, Ministry of Water Resources and Electric Power (MWREP) and Anhui Province.

Terms: (a) $17.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. (b) $75.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $263.5 million equivalent.

Purpose and Benefits: The main objective of the project is to increase the production of crops and other agricultural products in central Anhui by developing water resources, reducing flood damage, developing rural infrastructure and support services, and improving Anhui's overall capability to plan and manage irrigation and flood control schemes. Improved irrigation and drainage affecting 549,000 ha and improvements to support services and infrastructure over 918,000 ha will add one million tons of foodgrains, 0.3 million tons of feedgrains, 67,000 tons of oilseeds, and 62,000 tons of fiber crops to current project area production. Increased production of other products will include pork (133,000 tons), beef (4,300 tons), chicken (3,900 tons), eggs (25,800 tons), ducks (56,600 tons), fish (68,300 tons), sawlogs (47,300 m^3) and standing timber (789,000 m^3). Flood protection affecting 220,000 ha will eliminate losses of about 34,000 tons/year of grain. Social benefits from the project will include increased incomes for two million farm families and creation of about 200,000 additional jobs. The estimated economic rate of return is 36 percent.

Date Approved: June 11, 1985.

COLOMBIA

ENERGY: The Petroleum Project will consist of: (a) a secondary oil recovery program in the middle Magdalena Valley (Casabe field); (b) field development under association contracts between ECOPETROL and private oil companies; (c) a 290 km pipeline to move Occidental Association crude from Cano Limon in the Llanos across the Andes mountains to Rio Zulia where it will enter existing westward-bound pipelines; and (d) technical assistance and studies.

Borrower/Implementing Agency: Empresa Colombiana de Petroleos (ECOPETROL).

Terms: $130.0 million equivalent IBRD loan; 14 years at the Bank's standard variable interest rate per annum. Total project cost: $980.0 million equivalent.

Purpose and Benefits: The project will reduce Colombia's dependence on imported oil. The estimated value of incremental oil production under the project will be about $545.0 million in 1988, representing 9 percent of the projected import bill in that year. The World Bank loan will help alleviate external commercial lenders' reluctance to increase exposure in Colombia through the proposed B-loan financing. With the concomitant aim of minimizing public sector capital outlays to the extent practicable, private investors will play a major role in project financing. The project will promote continued sound petroleum pricing policy and investment choices to favor efficiency of resource allocation. The project will buttress ECOPETROL's operational efficiency and functioning effectively in partnership with private investors. It will also help to incorporate adequate environmental safeguards into its activities. The estimated economic rate of return is about 43 percent on the Casabe secondary recovery component, and it is over 18 percent for the pipeline component.

Date Approved: November 6, 1984.

INDUSTRY: The Development Banking Project will consist of: (a) the provision of equity and medium- and long-term debt financing for private enterprises engaged in manufacturing, tourism or mining activities, for projects aimed at increasing or rationalizing production, technological improvement or pollution control; and (b) the strengthening of the Government's financial sector reforms by primarily helping to develop mechanisms aimed at developing a long-term credit market; and also carrying out a program of technical assistance for the staff of the Borrower and of the DFCs in operating the variable interest rate system and related financial sector management issues, and carrying out a program of technical assistance for the Superintendency of Banks to enhance its banking supervisory capabilities.

Borrower/Implementing Agency: Banco de la Republica.

Terms: $90.0 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $90.0 million equivalent.

Purpose and Benefits: The objectives of the project will be to make available medium-term loans to DFCs, that are now unavailable to Colombia, to channel term financing toward efficient investment projects in the industrial sector; and to assist the Government in strengthening the financial sector reforms already undertaken.

Date Approved: November 6, 1984.

WATER SUPPLY AND SEWERAGE: The Fourth Bogota Water Supply and Sewerage Project will consist of: a) construction of a major water transmission tunnel and main; b) primary water distribution system reinforcements; c) water distribution system rehabilitation; d) additions to water, sewage and drainage networks for low-income neighborhoods; e) a reservoir for untreated raw water storage; f) metered house connections; g) technical assistance for the institutional improvement of EAAB; and h) implementation planning for a project to control flooding and pollution of the Bogota River.

Borrower/Implementing Agency: Empresa de Acueducto y Alcantarillado de Bogota (EAAB).

Terms: $129.0 million equivalent IBRD loan. 17 years at the Bank's standard variable interest rate per annum. Total project cost: $353.5 million equivalent.

Purpose and Benefits: The project will enable EAAB to utilize its full existing water production capacity constructed under previous Bank financed projects. It is expected that approximately 2.1 million persons will benefit from the project by 1992, of which about 54% will be the urban poor.

Date Approved: April 2, 1985.

AGRICULTURE/INDUSTRY: The Trade Policy and Export Diversification loan will consist of foreign exchange to finance general imports of industrial and agricultural inputs and raw materials for exporting firms and several studies related to export incentives, export promotion, external debt management and budget programming and planning.

Borrower/Implementing Agency: Colombia.

Terms: $300.0 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $300.0 million equivalent.

Purpose and Benefits: The objectives of the program will be to: (1) reorient export policies so as to reduce the discretionary element and provide automaticity and uniformity of access to incentives and foreign exchange in order to promote the free trade status of the exporter; (2) adopt a program of elimination of import prohibitions and quantitative restrictions and a reduction of tariff dispersion and levels; (3) improve the administrative mechanisms of trade management; and (4) formulate an Action Program of trade reform for the longer term.

Date Approved: May 23, 1985.

HEALTH: The Health Services Integration Project will consist of: (i) providing improved access to basic health services including family planning to 3.7 million Colombians living in the poorest areas along the Pacific Coast; (ii) assisting 250 communities with access to piped water supply and to waste disposal; (iii) strengthening the rural water supply subsector through technical assistance to National Institution of Health (INS), and the preparation of a National Rural Water Supply Plan; (iv) introducing systemic changes in the organization and provision of health services through decentralization of service delivery and integration of all health activities at the lowest level; and (v) providing a cost-effective service delivery model covering 14 percent of the population which would be replicable to the entire sector. Achievement of these objectives would be supported by (a) the construction and expansion of health care facilities, water systems and latrines; (b) a training program; (c) the implementation of timely information systems on service statistics and cost data; and (d) a set of policy and research studies.

Borrower/Implementing Agency: Colombia, Ministry of Health.

Terms: $36.5 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $75.8 million equivalent.

Purpose and Benefits: The project, in terms of ambulatory services (number of medical, promotor and nurse visits), dental services provided by sanitation promoters would more than double the output of health care services being available in the project area. This would improve the health and nutrition status of 14 percent of Colombia's population with limited or no access to health services through a reduction of morbidity and mortality and an increase in contraceptive prevalence. Different causes of child morbidity such as perinatal conditions, gastro-intestinal infections and acute respiratory infections would be reduced significantly and about 90 percent of all children would be vaccinated against childhood diseases, up from about 40 percent at present. An increase by 35 percent in the number of family planning users is expected to result in a 7 percent decline in the rate of fertility. The construction of small rural water supply systems, sanitary facilities and latrines would reduce the risk of water and sanitation related diseases for about 150,000 people.

Date Approved: July 30, 1985.

COSTA RICA

NON-PROJECT: The Structural Adjustment Loan will consist of financing imports except luxury items and military goods.

Borrower/Implementing Agency: Costa Rica.

Terms: $80.0 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $80.0 million equivalent.

Purpose and Benefits: The loan will support the Government's Structural Adjustment and Economic Recovery Program, the principal objective of which is to promote a vigorous recovery of the economy through renewed export-led growth, with particular emphasis on expanding exports to third markets outside the Central American Common Market (CACM). The Structural Adjustment Program is expected to result in higher levels of economic growth, employment and export earnings while also enhancing the country's ability to withstand future external economic shocks by diversifying its productive structure and exports. The projected growth and improved balance of payments performance will also strengthen Costa Rica's creditworthiness and facilitate additional external financial assistance.

Date Approved: March 16, 1985.

TECHNICAL ASSISTANCE: The Technical Assistance Loan will consist of studies or institutional support in the following areas: (a) improvement of budget appropriations and management; (b) reshaping of CODESA's activities; (c) strengthening of public sector investment planning and macroeconomic analysis; (d) analysis of social security and health financing; (e) strengthening of the policy framework in agriculture; (f) modernization of the national banking system; (g) strengthening tax and customs administration; (h) improving the cost-effectiveness of education expenditures; (i) analysis of salary structure and incentives in the public sector; and (j) analysis of tariff reform impact on industrial sub-sector.

Borrower/Implementing Agency: Costa Rica.

Terms: $3.5 million equivalent IBRD loan. 17 years at the Bank's standard variable interest rate per annum. Total project cost: $4.6 million equivalent.

Purpose and Benefits: The technical assistance to be provided is designed to support implementation of the Government's Structural Adjustment Program, both in carrying out policy actions and programs already agreed, as well as in preparing the way for additional reforms in key areas.

Date Approved: March 16, 1985.

CYPRUS

AGRICULTURE: The Agricultural Research and Extension Project will consist of: (a) agriculture research; (b) agricultural extension component; (c) veterinary services component; and (d) fisheries services component.

Borrower/Implementing Agency: Cyprus, Ministry of Agriculture and Natural Resources (MANR).

Terms: $7.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $14.5 million equivalent.

Purpose and Benefits: The project will aim primarily to strengthen and improve coordination among the institutions involved in research and extension services within the Ministry of Agriculture and Natural Resources in order to support the substantial investments Cyprus has made in irrigation, and rural and water resources development and thereby increase production of food and expand exports of fresh fruits and vegetables. The project will provide for the establishment of an Agricultural Research and Extension Council to formulate national policies and priorities for research and extension and an appropriate committee(s) to develop and supervise resultant programs. Furthermore, the Extension Section of the Department of Agriculture will also be given a clearer role to coordinate national extension programs.

Date Approved: March 28, 1985.

DJIBOUTI

EDUCATION: The Education Project will consist of: (a) establishment of two new schools in underprivileged areas of Djibouti-city enrolling 1,800 students; (b) establishment of four new schools and expansion of four existing schools in rural areas enrolling 1,300 students; (c) strengthening educational planning and evaluation through three man-years of technical assistance and two man-years of fellowships to be financed under the ongoing Technical Assistance Project.

Borrower/Implementing Agency: Djibouti, Ministry of National Education, Youth and Sports.

Terms: $5.0 million equivalent IDA credit; 50 years with a 0.75 percent service change per annum. Total project cost: $7.4 million equivalent.

Purpose and Benefits: The project will assist in (a) expanding and improving primary education in underprivileged areas; and (b) improving the management of the education system through educational planning, and through monitoring and assessing the ongoing cost-efficiency and quality improvement process. The project will provide 2,350 new students places, of which 2,150 will be additional and 200 will replace inadequate existing facilities. The project will establish new primary education facilities in urban areas, where the demand for such education is strong and educational facilities are insufficient, and in rural areas, where it will help to increase the populations' participation in the development process and improve opportunities. It will also contribute to further improving the balance between educational facilities in Djibouti-city and in the interior districts. An additional 1,800 student places would be provided by a proposed Saudi Development Fund (SDF) project. The project will assist the Government in improving the delivery of primary education opportunities to the most underprivileged segments of the population, which is a Government priority, and in providing additional school infrastructure to expand the children's nutrition programs. The technical assistance component will strengthen key ministerial services, essential for improving the management of the system and making the best use of available resources through careful planning and assessment of educational performance.

Date Approved: January 22, 1985.

DOMINICAN REPUBLIC

EDUCATION: The Vocational Training Project will consist of: (a) technical assistance; (b) construction or expansion and equipment of three vocational training centers; (c) complementary training equipment for other collaborating training institutions, and (d) the establishment of a mobile training program through the acquisition of 14 mobile sets of training equipment and about eight light vehicles.

Borrower/Implementing Agency: Dominican Republic, Instituto Nacional de Formacion Tecnico Profesional (INFOTEP).

Terms: $5.8 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $8.4 million equivalent.

DOMINICAN REPUBLIC—Continued

Purpose and Benefits: The project will have two major objectives: (a) to enable INFOTEP to coordinate, regulate and monitor developments in the vocational training system; and (b) to expand INFOTEP's capacity to provide, directly and indirectly, appropriate training in response to anticipated skilled worker requirements.

Date Approved: May 28, 1985.

TRANSPORTATION: The Third Road Reconstruction Project will consist of: (a) completion of road reconstruction works initiated under the Second Road Maintenance and Reconstruction project; (b) purchase of equipment, tools, and spare parts for the road maintenance fleet; (c) technical assistance to improve the planning, programming, and executing capacity of the Secretariat of State for Public Works and Communications (SEOPC); (d) technical assistance to domestic contractors and SEOPC staff to improve road paving techniques; (e) technical assistance to SEOPC for maintenance operations and training, including support to SEOPC's maintenance training school; and (f) construction and improvement of about 100 km of rural roads using appropriate construction techniques.

Borrower/Implementing Agency: Dominican Republic, Secretariat of State for Public Works and Communications.

Terms: $35.8 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $44.7 million equivalent.

Purpose and Benefits: The project will: (a) complete ongoing road reconstruction works originally included in the Second Road Maintenance and Reconstruction Project, and support continued improvement of road maintenance operations and training efforts, and the rural road reconstruction and improvement program; and (b) assist in developing adequate technical expertise in SEOPC for transport planning and pavement management, including assistance to SEOPC and the domestic construction industry for improving paving techniques.

The project will continue the support of the road transportation sector in the Dominican Republic, started in 1976. It will help reconstruct roads critical for the transport of primary export commodities and widen local markets. In addition, the development of a transport planning and maintenance system will be carried further and the rural roads component will develop least-cost standards for rural road improvement and construction. It will also contribute directly to employment in the outlying areas of the country and, in the long run, to Government efforts to increase and diversify the country's production. The estimated economic rate of return is 26 percent.

Date Approved: July 23, 1985.

ECUADOR

TECHNICAL ASSISTANCE: The Public Sector Management Project will consist of: (a) to introduce improvement in the national planning and budgeting systems; and (b) to support general management improvements where the state performs important economic activities.

Borrower/Implementing Agency: Ecuador, CEPE, INECEL and IETEL, Finance Ministry, CONADE, Ministry of Natural Resources.

Terms: $8.0 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $13.7 million equivalent.

Purpose and Benefits: The main goals of the project will be to help the Government improve its systems for macroeconomic management and the efficiency of public investment. These will be goals calling for a sustained effort, especially where rigidities have a legal foundation which requires reform. Emphasis for this initial project will be placed on carrying out activities which could yield operational improvements relatively quickly, and laying the base for medium-term institutional strengthening through training and analysis of possible legislative reforms. Follow-up assistance to address broader public management goals could be provided as a second stage.

Date Approved: April 16, 1985.

EGYPT

AGRICULTURE: The Fifth Drainage Project will consist of: (a) the remodelling of existing surface drains; (b) the installation of collectors and field drains for subsurface drainage; (c) the production of corrugated PVC pipes for field drains; (d) the maintenance of surface and subsurface drains by construction of maintenance centers and subcenters, provision of maintenance equipment, and maintenance of completed drainage works during the project implementation period; (e) the training and technical assistance for EPADP and the Drainage Research Institute; (f) a monitoring and evaluation program to oversee the project's implementation progress and study the impact of drainage on depth to water table, etc.; and (g) the provision of equipment to measure flow rates in canals.

Borrower/Implementing Agency: Egypt, Egyptian Public Authority for Drainage Projects (EDADP).

Terms: $68.0 million equivalent IBRD Loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $198.1 million equivalent.

Purpose and Benefits: The objectives of the project will be to increase agricultural production by reversing the deteriorating salt and water balance and to strengthen the EPADP so as to improve standards of project implementation, quality control, maintenance and monitoring of the drainage network. The economic rate of return is estimated at 23 percent.

Date Approved: May 30, 1985.

AGRICULTURE: The Second Agricultural Development Project will include: (a) provision of incremental farm inputs; (b) provision of agricultural machinery and spare parts; (c) establishment of machinery repair and service facilities; (d) a new seed cleaning plant and two seed laboratories; (e) training in extension, machine operation and agriculture credit; (f) establishment of mechanized centers for the testing and demonstration of new machines; and (g) technical assistance to research staff to develop appropriate mechanization systems and the preparation of a study on the seed industry. Selective mechanization of farming activities will be promoted by expanding the role of private machinery hire services and by enlarging the network of dealerships for agricultural machinery.

Borrower/Implementing Agency: Egypt, Ministry of Agriculture.

Terms: $139.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $359.0 million equivalent.

Purpose and Benefits: Through the introduction of improved farming packages, and through a specialized selective mechanization program which augments the technological resources of farmers, the project will help improve the productivity and incomes of about 650,000 farmers in the Nile Delta. Even in the case of a smallholder with 0.9 feddans who will not be using hired labor, net farm profit is expected to more than double by the seventh year of the project, with no more than an average response to the new technology. On the basis of conservative assumptions, incremental annual farm production at the project's maturity in year 10 is estimated at $224.0 million. The analysis of economic benefits shows that for an economic rate of return of 18 percent to be achieved, the participation of about 30 percent of project area farmers will be required. However, on the basis of more likely adoption rates at different levels of response which will gradually rise to reach 50 percent of project farmers over a seven-year period, the economic rate of return (ERR) is estimated at 30 percent.

Date Approved: May 30, 1985.

TRANSPORTATION: The Port Said Expansion and Rehabilitation Project will consist of: (a) construction of a multipurpose berth 250 m long and 12 m deep (including dredging, transit shed and support facilities) to handle general cargo traffic; (b) rehabilitation of existing port facilities, including purchase and installation of fenders, cathodic protection, improvement to the electrical system, and provision of substations to operate the container cranes on the multi-purpose berth; (c) provision of mobile cargo handling equipment to handle general cargo traffic on the above-mentioned berth; (d) provision of two gantry cranes for handling containers; and (e) technical assistance to the Port Said Port Authority (PSPA) for: (1) project preparation (PPF); (2) supervision of civil works and equipment purchase; and (3) improvement of port operations and financial management through consultancy services and training.

Borrower/Implementing Agency: Port Said Port Authority (PSPA).

Terms: $37.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $51.6 million equivalent.

Purpose and Benefits: The project will assist the Government in the expansion and rehabilitation of the Port Said port and will improve infrastructure support to Egypt's foreign trade. The main project objectives are: (a) to reduce excessive lighterage by providing an additional multi-purpose deep-water berth; (b) to increase the efficiency of port operations by providing modern cargo handling equipment and rehabilitating existing facilities; and (c) to strengthen PSPA's management capacity, including budgetary control, planning, cost accounting, and internal audit, through technical assistance and staff training. The quantified benefits of the project include direct savings in freight charges and reductions in ship turnaround time, cargo handling charges, and damage to cargo. The project will also generate foreign exchange earnings from transshipment, and will reduce barge congestion, thus improving traffic conditions both in the port and for convoys using the Suez Canal. The estimated economic rate of return is 22 percent.

Date Approved: June 6, 1985.

EDUCATION: The Third Vocational Training Project will consist of: (a) construction and/or funishing and/or equipment of 10 training institutions; and (b) technical assistance for (1) instructor training and preparation of curriculum materials, and (2) preparation of a sector-wide study of manpower and training needs that would serve as the basis for, a comprehensive training policy for the Ministry of Electricity and Energy (MOEE).

Borrower/Implementing Agency: Egypt, Ministry of Electricity and Energy (MOEE).

Terms: $19.3 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $49.3 million equivalent.

Purpose and Benefits: The project will enable the beneficiaries to increase their annual training output by 530 skilled craftsmen, 120 technicians and 90 engineers over their present training capacity. The project will also provide in-service training for upgrading the skills of 1,500 skilled craftsmen, 500 technicians and 250 engineers each year. No substative risks are associated with the project.

Date Approved: June 25, 1985.

EQUATORIAL GUINEA

AGRICULTURE: The Cocoa Rehabilitation Project will: (a) provide agricultural credit to meet the seasonal, medium-term, and long-term financing needs of creditworthy farmers and cooperatives; and (b) improve and strengthen the capacity and operational efficiency of the Ministry of Agriculture, Livestock, and Rural Development (MOA) and the project implementing agencies through the international recruitment of five specialists, on-the-job and overseas training of local staff, improvement of buildings and operating facilities, and provision of vehicles and office equipment.

Borrower/Implementing Agency: Equatorial Guinea, Credit and Development Bank, Ministry of Agriculture, Livestock, and Rural Development (MDA).

Terms: $9.3 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $16.2 million equivalent.

Purpose and Benefits: The principal quantifiable benefits of the project would derive from the increased production and exportation of cocoa. By the sixth year after project inception, the end of the investment period, production on project farms will have increased by 3,140 tons, or 210 percent of the production without the project. By the twelfth year after project inception, when all farms benefitting from the project will be at full development, total production on these farms will have increased by 4,160 tons (280 percent of estimated production without the project). The f.o.b. value in 1984 constant terms of project-engendered cocoa exports will reach US$4.6 million in the sixth year after project inception and US$7.2 million in the twelfth year after project inception. Project actions to reinforce the CAMARA's capacity to monitor and control exports will ensure that revenues from exports will be repatriated into the Equato-Guinean banking system. Important non-quantifiable benefits will also result from the reform and strengthening of the BCD, the CAMARA, and the MOA, and this improvement in institutional performance will help to ameliorate the climate for investment in the cocoa subsector and lead to greater investor confidence in the agricultural sector in general. The estimated economic rate of return is 44 percent.

Date Approved: February 19, 1985.

ETHIOPIA

AGRICULTURE: The Drought Recovery Project will consist of assisting three key sectors – agriculture, transportation, and water supplies. Specifically, the program will fund 50,000 tons of fertilizer and $2.0 million worth of plant protection chemicals and the same value of veterinary drugs and equipment for boosting 1985 agricultural production by peasant farmers; about 100 four-wheel drive trucks for the Relief and Rehabilitation Commission, for transporting food from main stores to rural distribution centers, also spare parts for maintaining the public and private truck fleet; water pumps, motors and generators to repair about 170 mechanized and 800 hand-operated wells and boreholes in the drought areas; and two drill rigs with ancillary equipment for constructing potable water supplies.

Borrower/Implementing Agency: Ethiopia, Ministry of Agricultural, Relief and Rehabilitation Commission (RRL) National Road Transport Corporation (NATRACOR), and National Water Resources Commission (NWRC).

Terms: $30.0 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum; Total project cost: $41.4 million equivalent.

Purpose and Benefits: Fertilizers are expected to raise production by roughly 200,000 tons of grain, worth $40 million in terms of import substitution. The benefits from plant protection materials will also be considerable in preventing agricultural production losses, but there is no exact basis for quantifying those benefits. The benefits from veterinary medicines will be similar. Animal health protection is particularly relevant, with animals having to seek fodder in areas not normally grazed because of health hazards, but now representing one of the few sources of fodder reserves. Benefits from the relief components cannot be quantified but could only be described in terms of saving lives and reducing malnutrition. The new trucks will help to improve presently inadequate road transport facilities and are especially designed to take food to areas inaccessible to available two-wheel drive trucks, which will help to save lives of many people who now have to walk long distances for food. With the exisiting national transport fleet already inadequate to deal with vital food and other transport needs and of considerable age, the spare parts component is a crucial factor in sustaining essential services. The spare parts funded by the project will help greatly alleviate the cost of immobilized vehicles. Finally, providing the proposed limited level of water in the drought areas is an essential minimum for survival. Extreme plight is being suffered by people in the drought area not only from lack of drinking water but also from disease resulting from poor hygiene due to lack of water.

Date Approved: April 9, 1985.

FIJI

AGRICULTURE/INDUSTRY: The Fiji Development Bank Project will consist of financing for (a) the foreign exchange component of subloans to approximately 600 industrial enterprises, including agro-processing, and related service activities; and (b) the foreign exchange component of subloans to about 1,500 agricultural enterprises.

Borrower/Implementing Agency: Fiji, Fiji Development Bank (FDB).

Terms: $6.5 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $40.0 million equivalent.

Purpose and Benefits: The objectives of the project will be: (a) to support the institution building efforts with respect to FDB in the area of the recent organizational and policy changes recommended by an ADB technical assistance mission in 1983; (b) to transfer capital and technical support for industry (particularly agro-processing), agriculture and related service activities; and (c) to improve the efficiency and orientation of selected publicly owned enterprises.

Date Approved: July 2, 1985.

GHANA

TRANSPORTATION/URBANIZATION: The Accra District Rehabilitation Project will consist of: a) the completion or rehabilitation of three major roads; b) technical assistance, training, vehicles, equipment and materials for a six-year program of road maintenance in Accra District by ADRU; c) technical assistance, vehicles, equipment and training to improve MLG's property evaluation and local government staff training capability. ACC's revenue mobilization, financial management and service delivery capability, and MWH project management capability; and d) the construction of basic roads, drainage, water supply, street lighting, sanitation and garbage disposal facilities in a centrally-located 30 ha area housing approximately 19,000 people.

Borrower/Implementing Agency: Ministry of Works and Housing (MWH), Ministry of Local Government (MLG), Accra City Council (ACC), Accra District Road Unit (ADRU).

Terms: $22.0 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $26.3 million equivalent.

Purpose and Benefits: The project will contribute to the economic recovery of the country by removing infrastructure constraints hindering the movement of imports and exports in the Accra area, a major bottleneck in the national road network. The development of a sound road maintenance program will avoid substantial future capital expenditures for road reconstruction. Revenue mobilization at the municipal level in Accra and improved management procedures will enhance ACC's ability to maintain infrastructure and provide urban services, thus reducing the burden on scarce central government resources. City residents will benefit from improved traffic flows and environmental improvements resulting from the regular maintenance of the road and drainage network.

Date Approved: March 21, 1985.

NON-PROJECT: The Second Reconstruction Imports Credit will consist of financing of imports for agriculture, transport, mining, and manufacturing in support of the economic recovery program.

Borrower/Implementing Agency: Ghana, Bank of Ghana.

Terms: $60.0 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $60.0 million equivalent.

Purpose and Benefits: The main benefits of the Credit will be that imports of the essential items of support the Government's economic recovery program will be secured, thus providing a basis to improve the depressed level of the living standard; the supply position of the economy which has been at a very suppressed level for more than a decade will improve as a result of the improved performance of the four priority sectors through increased imports of essential items for rehabilitation and maintenance; and private institutions will benefit from more liberalized import procedures and foreign exchange allocation and thus contribute to more efficient implementation of the economic recovery program.

Date Approved: March 28, 1985.

TRANSPORTATION: The Road Rehabilitation and Maintenance Project will consist of: (a) a three year (1986-88) rehabilitation and maintenance program for Ghana's trunk road network, (b) a bridge rehabilitation program, (c) a three year pilot feeder road program, and (d) rehabilitation of about 105 km of the Accra-Kumasi highway. The project will provide funding for new equipment and spare parts, civil works, fuel, technical assistance and training at all levels.

Borrower/Implementing Agency: Ghana, Ministry of Roads and Highways (MRH), Ghana Highway Authority (GHA), Bank for Housing and Construction (BHC), and domestic contractors through subloans from BHC.

Terms: $40.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $121.9 million equivalent.

Purpose and Benefits: The main benefit from the project will be improvement in the physical condition of Ghana's road network, which will help remove, at least partially, one of the most serious infrastructure constraints hindering Ghana's economic recovery. By arresting further deterioration and improving maintenance, the project will help avoid substantial future capital expenditures for road reconstruction, and will generate sizable and immediate savings in vehicle operating costs. At least 80 percent of these savings will be in reduced use of foreign inputs, such as tires, spare parts, fuel, and from the extended life of vehicles themselves. The considerable benefits from the project will be ultimately passed on to the transport user as reduced transport costs, through the competitive transport market prevailing in Ghana. The economic rate of return, based on quantifiable benefits for the total project is estimated at 53 percent.

Date Approved: June 4, 1985.

ENERGY: The Power System Rehabilitation Project will consist of restoring more reliable electricity service by overcoming unsatisfactory operating conditions in Electricity Corporation of Ghana's (ECG) and Volta River Authority's (VRA) systems. It would consist mainly of rehabilitation works on ECG's distribution network and VRA's principal substations. In addition, the project contains components for improvements in plant support facilities, studies and technical assistance. Under the technical assistance component, studies will be undertaken which will provide the basis for reorganization of the sector and rehabilitation of its institutions (168 man-months). The technical assistance program will also include training, operational support, and assistance in the implementation of the rehabilitation plan.

Borrower/Implementing Agency: Ghana, Electricity Corporation of Ghana (ECG) and Volta River Authority (VRA).

Terms: $28.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $48.8 million equivalent.

Purpose and Benefits: The principal benefit from the project will be the support that improved electricity service will provide to the country's economic recovery. Since most of Ghana's industry relies on public service electricity, the value of reliable supply to the nation's economy is considerable. ECG's institutional weaknesses which affect its capacity for project execution will be addressed by a consultant study and implementation of an agreed work plan based on it for improving the institutional efficiency of ECG as well as VRA. Since it is conservatively estimated that the return for the project is about 30 percent, which compares favorably with the opportunity cost of capital for Ghana, estimated to be between 12 percent and 15 percent.

Date Approved: September 19, 1985.

GRENADA

AGRICULTURE: The Agricultural Rehabilitation Crop Diversification Project will consist of: (a) medium and long-term credit to farmers and agroindustries through the Grenada Development Bank (GDB) with funding to be provided by the Caribbean Development Bank (CDB); (b) upgrading and institutional strengthening of existing support services and infractructure (Agriculture Extension Service, Agricultural School, Plant Propagation Unit, Plant Protection Unit, and marketing system); and (c) the establishment of a feeder road maintenance management system. These activities would be supported by training, studies and technical assistance.

Borrower/Implementing Agency: Grenada, Ministry of Agricultural, Lands, Forestry, Fisheries and Tourism (MDA).

Terms: $5.0 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $7.9 million equivalent.

Purpose and Benefits: The project will directly assist some 800 to 1,000 farmers, about 10-12% of the entire farm population, who will be receiving credit for rehabilitating and expanding their crop production on about 1,250 ha. The majority of the other farmers will also benefit from the project by receiving improved services (extension services, and marketing) and by utilizing better roads and marketing facilities. In addition, the proposed project will have a beneficial effect on the balance of payments by increasing agricultural exports and reducing imports. The economic rate of return for the directly productive aspects of the project is estimated at 21%. The activities included in this rate of return calculation cover 65% of total project costs.

Date Approved: March 14, 1985.

GUATEMALA

ENERGY: The Supplemental Loan for the Chixoy Power Project will consist of the components originally financed under Loan 1605-GU and procured in accordance with Bank guidelines. The proceeds of the supplemental loan would be incorporated in the disbursement schedule for Loan 1605-GU. The supplemental loan would permit continued Bank disbursements against 100 percent of foreign expenditures on civil works contracts and equipment to project completion. Disbursements would also be made for 100 percent of the financial charges on the supplemental loan up to December 31, 1987. No further disbursements are expected for expenditures on consultants' services as the studies included in the project have been completed.

Borrower/Implementing Agency: Guatemala, Instituto Nacional de Electrificacion (INDE).

Terms: $44.6 million equivalent IBRD loan; 10 years at the Bank's standard variable interest rate per annum. Total incremental project cost: $453.3 million equivalent.

Purpose and Benefits: The cost increases in the Chioxy Power Project have principally resulted from geological problems which could not be anticipated by the Borrower or the Bank during project design, based on the results of the investigations which were carried out in accordance with well established engineering practices. The government and the implementing agency dealt effectively with the problems affecting the dam and spillway, and took action in July 1984, to repair the tunnel and prevent further delays in project completion. Completion of the project will enable the government to follow through with its policy of substituting hydroelectric resources for fuel-fired thermal generation, to reduce the cost of production of electricity and alleviate the burden of oil imports on the country's balance of payments. The project is an integral part of the least cost solution program for INDE's investments, and its internal rate of return is estimated at 9.7 percent, based on its total revised cost. While this rate is marginal, the costs of not completing the project outweigh the costs of seeing it through completion. If only the incremental expenditures still necessary are taken into account – considering that the funds already invested are unavailable for alternative uses – the rate of return is estimated at 45 percent.

Date Approved: March 19, 1985.

GUINEA

TECHNICAL ASSISTANCE: The Guinea Technical Assistance Project for Economic Management will consist of a three-year, first phase program of technical assistance and staff training, focussing on macroeconomic management, investment choice and procurement, control of public finance and external debt. The project provides for 23 staff-years of resident advisors, 326 staff-months of short-term consultant services, and 45 staff-months of overseas training for the core economic agencies. The National Productivity Centre (CNP) will prepare and implement, in conjunction with the work program and on-the-job coaching, a program of staff training. Short-term consultants will help carry out a divestiture program for the parapublic sector. The project also includes a fund of $350,000 for a bookkeeper/accounting training program.

Borrower/Implementing Agency: Guinea.

Terms: $9.5 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $10.9 million equivalent.

Purpose and Benefits: The main benefits will be training and development of staff expertise in project preparation and economic analysis, introducing systematic procedures for investment choice and procurement, strengthening financial and customs operations, improving management and monitoring of Guinea's external debt, and improving management and monitoring of Guinea's external debt, and improving economic data. Training activities will promote the introduction of these procedures throughout the Government. Measurable outputs will include a rolling, three-year investment program and annual national accounts statistics, a project evaluation manual, standardized procurement procedures and regular external debt reporting.

Date Approved: March 14, 1985.

ENERGY: The Second Power Engineering and Technical Assistance Project will consist of: (a) an extension of ongoing training and technical assistance to Societe Nationale d'Electricite (SNE); (b) an organizational and institutional study of the power sector, a power planning study, a feasibility study and detailed engineering for the first powerplant recommended by the planning study, and a study for the rehabilitation and extension of the subtransmission and distribution systems; (c) spare parts, equipment, materials, and a warehouse for SNE; and (d) technical assistance, training, and equipment to improve Societe Nationale d'Electricite (SNH's) operations.

Borrower/Implementing Agency: Guinea, Societe Nationale d'Electricite (SNE).

Terms: $8.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $20.0 million equivalent.

Purpose and Benefits: The purpose of this project is to continue the rehabilitation efforts started under the First Power Project. The project will (a) strengthen the power sector's organization and management; (b) plan the development of Guinea's most abundant energy resource – hydroelectric power – to reduce dependence on imported oil; (c) improve system efficiency and reliability through cost reduction, training, and provision of technical assistance, vehicles, equipment, and spare parts; and (d) provide technical assistance, hydrometric equipment, and vehicles to the National Hydrology Service (SNH). Fragmented responsibilities for the power sector have created a lack of sound long-term power planning and uncertainty about future investment requirements. The project will assist in filling the planning vacuum and will pave the way for essential institutional reforms. Organization and management problems within SNE will also be addressed. Bottleneck and high loss areas in the distribution systems will be studied for rehabilitation. Extension of contracts for the technical assistance team in Conakry, and expansion to include badly needed expertise for stock management, will allow continuation of the transfer of technical know-how to Guinean staff and fill positions that cannot be filled immediately by Guinean personnel. Financing of spare parts, equipment, and tools will improve the effectiveness of the technical assistance team and the efficiency of SNE's operations.

Date Approved: May 16, 1985.

GUINEA-BISSAU

NON-PROJECT: The Reconstruction Import Project will consist of $10.0 million to meet part of the priority import requirements of Guinea-Bissau's economic recovery program. The credit funds will be allocated to the procurement of agricultural implements, fertilizers, agro-chemicals, tools, intermediate producer goods, machinery, batteries and spare parts in accordance with the Government's foreign exchange budget.

Borrower/Implementing Agency: Guinea-Bissau, National Bank of Guinea-Bissau.

Terms: $10.0 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $10.0 million equivalent.

Purpose and Benefits: The principal objectives of the credit are to provide immediate assistance for urgent agricultural, transport, energy, and other needs to support the Government's economic recovery program and allow economic activity to continue while current and future measures are implemented. Specifically the proposed credit will: (a) finance essential agricultural inputs for the Government's economic recovery program, such as fertilizers, insecticides, herbicides, and sprayers, agricultural tools, and spare parts; (b) help restore the operation of the transport fleet by financing the import of batteries, spare parts for trucks, buses, riverboats, and the assembly of a tire retreading plant; (c) provide urgently needed spare parts to allow minimal operation of the power sector; and (d) finance imports for other productive and exchange-earning sectors of the economy. The credit will therefore help to provide a solid base for the Government's economic recovery program 1983/1986. While the reform measures taken so far are impressive and important, further adjustments will be required, concentrating on the agricultural sector and focusing on the generation of foreign exchange. Improvements will be needed in investment programming, agricultural and energy pricing policies, marketing and distribution systems, and in the operations and orientation of State enterprises. These structural changes will take time to prepare, and necessitate strengthening of the Government's administrative and policy-making machinery to enable such a program to be implemented.

Date Approved: December 13, 1984.

GUYANA

AGRICULTURE: The Supplementary Credit to the Upper Demerara Forestry Project will consist of financing for: (a) cost overruns for logging equipment and vehicles, sawmill equipment and construction of housing and community facilities; (b) a sawmill equipment installation cost overrun; and (c) new components: (1) a local telephone exchange; (2) a wood technology research component; (3) the cost of one year's insurance for DWL's plant and equipment; and (4) technical assistance.

Borrower/Implementing Agency: Guyana, Ministry of Forestry, Demerara Woods Ltd. (DWL).

Terms: $8.8 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $46.9 million equivalent.

Purpose and Benefits: The project's foreign exchange earning capacity is substantial. DWL plans to export about 80 percent of its production at an approximate value of 8.0 million dollars in 1985, and 10.0 million dollars in 1986 and annually thereafter; this compares to Guyana's debt service obligations under the project of about 2.1 million in 1985 and 2.3 million in 1986 and declining thereafter. The economic rate of return is estimated at 11.2 percent.

Date Approved: March 7, 1985.

HAITI

ENERGY: The Fourth Power Project will consist of: (a) the expansion of the existing Carrefour diesel power station at Port-au-Prince with two diesel-electric units; (b) the implementation of a program to improve the generation capacity of the three existing powerplants; (c) the completion of the rehabilitation of the distribution network at Port-au-Prince; (d) the preparation of detailed engineering design for a hydroelectric project in the Artibonite river basin; (e) the provision of consulting services for the management and operation of EdH, as well as project implementation and operation; (f) the provision of a training program including fellowships; and (j) the provision of consulting services for the municipal finance study of the Port-au-Prince metropolitan area.

Borrower/Implementing Agency: Haiti, Electricite d'Haiti (EdH), Ministry of Finance.

Terms: $22.1 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $38.0 million equivalent.

Purpose and Benefits: The project will aim at expanding and improving generating facilities of EdH in Port-au-Prince, completing the renovation of the Port-au-Prince distribution network, and strengthening EdH both in the technical and financial areas, and preparing a future hydroelectric project on the Artibonite River. It will also include a review of municipal finances of the Port-au-Prince metropolitan area to assist the Government in its effort at improving urban management. The project will be an integral part of EdH's least cost expansion program; it will include the required investment for the period 1986-87 for the Port-au-Prince area. The internal rate of return is estimated at 11 percent.

Date Approved: November 20, 1984.

EDUCATION: The Fourth Education and Training Project will consist of financing for: (a) Ministry of Education (MEN's) incremental salary bill for basic education staff: and salaries for 55 staff of IPN and INFP; (b) equipment and furniture for the National Pedagogical Institute (IPN), National Institute for Vocational Training (INFP), Public Administration Center, 200 primary schools, and vehicles for inspectors, MEN, and Project Implementation Unit (PIU); (c) civil works for the rehabilitation of vocational/technical schools, and INFP, and construction of the fourth floor of the National Institute for Management Administration to house the Public Administration Center; (d) 1,015,000 textbooks, (e) technical assistance and consultancie; 314 months of foreign experts and 340 months of local experts; (g) training programs for teachers, directors, and inspectors; (h) project administration; and (i) operational costs.

Borrower/Implementing Agency: Haiti; Ministry of Education.

Terms: $10.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $22.3 million equivalent.

Purpose and Benefits: The project will help implement the education reform in basic and vocational/technical education, improve education sector management, and provide opportunities for training in public administration. This will result in improvements in: (a) the number of students entering basic education, (b) the efficiency i.e., the number of years of investment needed to produce grade 4 and grade 7 graduates, (c) the quality of education at the basic, vocational, and technical levels, and the chance for school leavers to acquire meaningful skills and employment, (d) the quality of the work pool in the labor market, and (e) the quality of Government employees' skills, especially in the areas of finance and management.

Date Approved: May 5, 1985.

HONDURAS

URBANIZATION: The Municipal Development Project will consist of: (a) professional services to help BANMA strengthen its institutional capacity; (b) professional services to strengthen municipal financial management, including revenue collection, budgeting, cost control, accounting, debt management, and planning and execution of investment projects; (c) credit for pilot investments in four municipalities; (d) a pre-investment fund for feasibility studies; and (e) professional services for CONSUPLANE for strengthening its capacity in urban and regional planning.

Borrower/Implementing Agency: Honduras, Autonomous Municipal Bank (BANMA), National Superior Council for Economic Planning (CONSUPLANE).

Terms: $6.9 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $8.2 million equivalent.

Purpose and Benefits: The primary objectives of the proposed project will be to strengthen BANMA as the principal source of financial and technical assistance for municipal development programs and to address the financial and managerial weaknesses in selected municipalities. The project will also assist the Government in formulating a strategy for further development in the sector, through assistance to CONSUPLANE.

Date Approved: June 3, 1985.

HUNGARY

AGRICULTURE: The Integrated Livestock Industry Project will consist of: (a) animal feed and livestock input supply; (b) on-farm production; (c) agroindustrial processing; (d) research and training; and (e) export marketing services.

Borrower/Implementing Agency: Hungary, National Bank of Hungary (NBH).

Terms: (a) $80.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum; and (b) $13.0 million equivalent share of cofinanced loans; 10 and 12 years at commercial interest rates. Total project cost: $325.2 million equivalent.

Purpose and Benefits: The project seeks to improve production efficiency in the livestock industry and to increase convertible foreign exchange earnings through the expansion of exports of processed animal products. It will help strengthen the livestock industry by rehabilitating and expanding existing facilities which will provide inputs or directly produce cattle, pigs and sheep and processed meat and cheese; it will also provide funds for pasture and livestock research, management training for large farms and slaughterhouses, and export marketing services. The project is expected to generate incremental sales revenue at full development of about US$140 million equivalent and pretax profits of about US$25 million equivalent per annum for about 170 beneficiaries, ranging from farms to meat processing plants. The expected incremental contribution to the Government budget in the form of annual income tax is estimated at US$13 million equivalent. Net foreign exchange earnings and savings are estimated at US$58 million equivalent per year. The project is expected to create about 2,240 new jobs and strengthen the beneficiaries, both in their financial position and in their technical level of production. Nonquantifiable benefits of the project include institution building in the areas of strengthening the export marketing system, training, and reduction of environmental pollution. The economic rate of return is estimated at 24 percent.

Date Approved: April 2, 1985.

INDUSTRY: The Fine Chemicals Project will consist of: (a) investments by five pharmaceutical enterprises to expand the production of selected final products and intermediates and to upgrade production processes to internationally accepted Good Manufacturing Practices (GMP) standards; (b) the construction of a 25,000 ton per year methyl-diphenyl-diisocyanate (MDI) plant as a basis for initiating production of certain types of polyurethanes to supply both the domestic and export markets; (c) a plant with 15,000 m^3 annual capacity to produce ion exchange resins; (d) investments by two enterprises to expand production of selected plant protection chemicals and their intermediates; (e) a 4,000 tpy sulfonation plant to supply intermediates, presently imported, for the production of detergents; (f) construction of an organic waste incinerator with a capacity of about 25,000 tons per annum; (g) modern equipment required by enterprises and research institutes for research and testing of pharmaceutical and plant protection products; (h) assistance to the pharmaceutical industry in conducting clinical trials and registration abroad of selected final products for sale in OECD markets on a pilot basis; and (i) technical assistance and training.

Borrower/Implementing Agency: Hungary, National Bank of Hungary (NBH).

Terms: $73.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum, and (b) $13.0 million equivalent share of cofinanced loans; 10 and 12 years at commercial interest rates. Total project cost: $311.5 million equivalent.

Purpose and Benefits: The project is expected to generate incremental sales revenues at full development of about US$274 million equivalent and pretax profits of about US$88 million equivalent per annum. The estimated incremental contribution to the Government budget in the form of annual income tax is estimated at US$47 million equivalent. Net foreign exchange earnings and savings are estimated to assist the project beneficiaries in significantly upgrading their technical level of production. Other benefits include the strengthening of planning and marketing systems, particularly in export markets, significant energy savings in construction from the use of MDI-based polyurethane foams, and the reduction of environmental pollution through the incineration of solid wastes and measures to control to acceptable levels air and liquid pollutants. The economic rate of return is estimated to be 37 percent.

Date Approved: April 2, 1985.

TRANSPORTATION: The Transport (Rail/Road) Project will consist of: (a) a railway component including a modernization program for the Ferencvaros (East) marshalling yard in Budapest, acquisition of track renewal and maintenance equipment and equipment to upgrade interface facilities between rail and road at five container terminals, training of railway personnel to familiarize them with recent developments in traffic, operations and engineering practices; (b) a highway including construction of the first phase (14 km) of a 28 km. four-lane motorway bypass of Budapest including two bridges across the Danube, acquisition of equipment for the maintenance of national roads, pavement management, road safety and road construction quality control, and training of highway personnel in modern developments in trafic safety and pavement management; (c) an Hungarocamion International Freight Company (HC) component including acquisition of larger capacity, more fuel efficient and longer life freight vehicles together with supporting management information systems and maintenance workshop equipment; (d) technical studies of (1) the contribution of road users to financing the costs of roads, and (2) modern management systems and operational aspects of international trucking companies.

Borrower/Implementing Agency: Hungary, Hungarian State Railways (MAV) and Hungarocamion International Freight Company (HC).

Terms: $75.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum; and (b) $13.0 million equivalent share of cofinanced loans; 10 and 12 years at commercial interest rates. Total project cost: $215.5 million equivalent.

Purpose and Benefits: The ultimate beneficiaries of the project will be transport users who, because of the different intensity of use, come from a range of sectors and income levels. At full development, the Bank-assisted components in railways will bring annual cost savings of about $10.0 million equivalent while the investments in the HC will yield incremental net revenues of about $15.0 million equivalent annually. Net foreign exchange earnings and savings in convertible currencies are estimated at about $15-20 million annually at project completion. The economic rate of return is estimated at 20 percent.

Date Approved: May 28, 1985.

INDIA

AGRICULTURE: The National Agricultural Extension Project will: (a) strengthen the reorganized agricultural extension system introduced in Rajasthan, Madhya Pradesh, and Orissa under Phase I projects; (b) reorganize and strengthen the Central Government's Extension Division and Directorate of Extension in order to increase their ability to support more effectively State agricultural extension programs and to perform more effectively their coordinating and policy guidance role throughout India; and (c) provide funds to assist in the financing of other projects for extension reform, special studies and special subprojects, and the supervision, monitoring and evaluation of said activities.

Borrower/Implementing Agency: India, Ministry of Agriculture Extension Division and Directorate of Extension.

Terms: $39.1 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $65.6 million equivalent.

Purpose and Benefits: The project is designed to improve the agricultural extension systems in three States and thus help contribute to increasing the level of agricultural production in three States, and to improve the capabilities of the Central Government to support agricultural extension activities nationwide. In Madhya Pradesh, Rajasthan, and Orissa the project will strengthen and further develop the reformed agricultural extension systems introduced in those States under Phase I projects which have now been completed. In addition, support will be provided for reorganizing and strengthening the Directorate of Extension (DOE) in the Central Ministry of Agriculture (MOA) to enable it to carry out more effectively its coordinating and policy guidance role and to provide assistance to the States in the design and implementation of their agricultural extension activities. The principal benefits of the proposed project will be to (a) increase crop production and thus farm incomes in the three project States by providing improved extension services to farmers; and (b) increase the MOA Extension Division and the Directorate of Extension's ability to provide continuing technical and administrative assistance to these and other States seeking to reform and strengthen their agricultural extension services.

Date Approved: October 2, 1984.

URBANIZATION: The Bombay Urban Development Project will consist of: (a) the construction and financing of about 85,000 serviced residential, commercial, and small industrial plots, including community facilities, core housing, and house expansion loans on about 13 sites in the Bombay Metropolitan Region benefitting about 500,000 people; (b) upgrading of about 300 ha of slum areas, mostly in the Bombay Municipal Corporation (BMD) area, including the provision of tenure, improved infrastructure, urban services, home improvement loans and community facilities, benefitting about 500,000 people; (c) equipment and civil works for improving the maintenance of roads, drains and services, and the collection and disposal of refuse in the Municipal Corporation areas of Bombay, Thana, Kalyan and the proposed New Bombay area benefitting over one million people; and (d) improve the capacity of the project implementing and coordinating agencies.

Borrower/Implementing Agency: India, Government of Maharashtra (GOM), the Maharashtra Housing and Area Development Authority (MHADA) and Bombay Metropolitan Region Development Authority (BMRDH).

Terms: $138.0 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project costs: $256.7 million equivalent.

Purpose and Benefits: The land infrastructure servicing program will directly benefit about 100,000 households, of whom about 65% are below the estimated Bombay poverty threshold (US$80 per household per month in September 1983), through the provision of tenured shelter, basic environmental services, primary and secondary education and health care facilities. The slum upgrading program and local government finance administration and services component will provide an additional 100,000 households with legal tenure, basic infrastructure, environmental services, and improved housing. In addition, about 620,000 households in BMC's island city wards will be provided with better solid waste collection and disposal services. The project's employment potential has been conservatively estimated to be approximately 26,000 jobs over a 4 to 5 year period. The economic rates of return have been calculated on prototype land infrastructure and slum upgrading program sites to be about 18% and 31% respectively. Non-quantifiable benefits include reduced morbidity and mortality and increased labor productivity due to improved environmental services and community facilities.

Date Approved: January 29, 1985.

ENERGY: The Jharia Coking Coal Project will consist of the development of one open-pit mine and one underground mine with design capacities of 2.5 and 3.0 mty of raw coal, respectively, two coal washeries, coal handling plants, and surface infrastructure, including railway spurs, workshops, warehouses, offices, and town sites. The total annual output of washed prime coking coal for the steel industry will be 2.6 million tons when both mines are operating at full capacity.

Borrower/Implementing Agency: India, Coal India Limited (CIL).

Terms: $248.0 million equivalent IBRD loan. 20 years at the Bank's standard variable interest rate per annum. Total project cost: $696.0 million equivalent.

Purpose and Benefits: The Open Cast Block II complex is the first of the medium- to large-scale open-pit mines to be developed as part of the Jharia Reconstruction Plan and by 1989/90 will account for about 11% of prime coking coal production in India. The Pootkee Bulliary complex will be the largest underground mining operation to be complemented in India. Both mines will employ highly mechanized mining systems, which Bank assistance will be provided, and should improve the overall operating efficiency of Bharat Coking Coal Limited (BCCL). The project will also help to improve the overall quality of coking coal supplies to the steel industry by providing a product with significantly lower ash content (17%) than the current average supply to the steel section (20%-21%). Furthermore, the project will help to reduce the need for imported coking coal.

Date Approved: March 7, 1985.

ENERGY: The Narmada River Development – Gujarat Sardar Sarovar Dam and Power Project will consist of: (a) concocted gravity dam; (b) reversible turbine generator, units; (c) a concrete weir; (d) a canalhead powerhouse; (e) Vadgam Sadalle Dam; (f) irrigation bypass tunnel; (g) interconnected ponds; (h) power transmission lines; (i) flood warning network; (j) resettlement and rehabilitation of oustees from the project area; and (k) training and technical assistance.

Borrower/Implementing Agency: India, Narmada Development Department (NDD).

Terms: $200.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. $100.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $1674.0 million equivalent.

Purpose and Benefits: The power facilities will form part of the least-cost capacity expansion sequence in India's western region grid even when carrying 100 percent of the cost of the dam and reservoir. Most benefits will result from a replacement of rainfed by irrigated crops and a corresponding intensification of cultivation. Under this project, the value of agricultural output (in constant financial prices) will rise by over 370 percent over a 20-25 year period; without it, production would rise by less than 30 percent. Incremental production at full development (mainly wheat, but also cotton, paddy, sorghum, pearl millet and pulses) is estimated at about 2.5 million tons annually. Overall the project will transform Gujarat's economy by increasing its agricultural production by 45 percent. About 340,000 farm families will benefit directly from this project. The project will generate an additional 0.7 million man-days of full on-farm employment, while project construction activities will generate a further 125,000 seasonal jobs annually. Projections of future water demand and supply for urban centers, villages and industries reveal substantial deficits of suitable supplies. Under the project 1,300 million cubic meters of municipal and industrial water would be supplied to population centers containing (in the year 2021) over 29 million people. The project represents the least-cost way of providing these water supplies to the population centers. In addition there would be considerable non-quantifyable benefits to health and living standards resulting from improved water quality. The project's three function of power-generation, irrigation and municipal and industrial water supplies are inter-dependent. Therefore, while calculation of separate ERRS for each component will be possible, such calculations will not have operational or decision-making significance. The base case economic rate of return (ERR) of projects is about 13 percent.

Date Approved: March 7, 1985.

INDUSTRY: The Maharashtra Petrochemical Project will consist of: (a) process plants for ethylene and polymer production; (b) facilities for power generation; (c) water supply; (d) feedstock supply; (e) road and rail transport; (f) fire and security systems; (g) employee township; (h) financing the import of polymers needed to develop the market in India prior to plant commissioning.

Borrower/Implementing Agency: India, Indian Petrochemicals Corporation Limited (IPCL).

Terms: $300.0 million equivalent IBRD loan. 20 years at the Bank's standard variable interest rate per annum. Total project cost: $1,787.1 million equivalent.

Purpose and Benefits: The project is designed to increase the domestic availability of polymers (petrochemicals used in the manufacture of final plastic products) in order to help satisfy the large growth in demand for plastic products expected in India. It will form an integral part of the Government's plans for optimal utilization of India's natural gas resources. The project will provide for the establishment of a gas-based petrochemical manufacturing facility near Bombay.

Date Approved: March 19, 1985.

AGRICULTURE: The Second Agricultural Extension Project will consist of: (a) strengthening the reorganized agricultural extension system introduced in the States of Gujarat, Haryana and Karnataka under the Composite Agricultural Extension Project (Cr. 862-IN); (b) further strengthening the linkages between extension and research in these States, and broaden the scope of the project to cover such other activities as water and soil management, farm management, horticulture as well as some aspects of farm forestry; and (c) introduce the T&V system of extension in the State of Jammu and Kashmir.

Borrower/Implementing Agency: India, States of Gujarat, Haryana, Jammu and Kashmir, and Karnataka.

Terms: $49.0 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project costs: $83.6 million equivalent.

Purpose and Benefits: Without an effective two-way communication between research and extension, it is unlikely that the technology needed by farmers to increase productivity will be developed and transferred. To promote such a linkage between extension and research, each State participating in the project has provided a written memorandum of understanding between the SAU and the Department of Agriculture spelling out university responsibilities for the support of the extension services. To date, technology has not been a major constraint, but as the backlog of research findings becomes more widely adopted, additional adaptive research, field testing and development of new technology will be required. While early work may be aimed at zonal and district recommendations, ultimately technology development needs to be directed more at meeting the needs of smaller groups of farmers and those in more remote and difficult areas. The National Agriculture Research Project (for which a second project is under appraisal) will help to strengthen research efforts to provide relevant technology for extension transfer to such farmers.

Date Approved: March 26, 1985.

TRANSPORTATION: The National Highways Project will consist of: (a) construction and rehabilitation of various sections of national highways in six states. Specifically, the project will finance about: (1) 92 km of a new dual-carriageway expressway; (2) 65 km of a new two-lane road; (3) 217 km of an additional two-lane carriageway and strengthening of the existing two-lane carriageway; (4) 93 km of strengthening the existing two-lane carriage-way; and (5) 30 km of a new two-lane bypass; (b) procurement of specialized imported equipment to be used to monitor road conditions, facilitate bridge inspections, and test vehicle conditions; (c) technical assistance and training of professionals in central and state highway organizations; (d) studies by both consultants and local research organizations to determine the extent and direction of modernization appropriate for India's vehicle fleet and the desirable levels of road user charges; (e) support for efforts by the Government in establishing a transport coordinating committee and improving Ministry of Shipping and Transport (MOST's) highway planning capability.

Borrower/Implementing Agency: India, Ministry of Shipping and Transport.

Terms: $200.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $424.7 million equivalent.

Purpose and Benefits: The project will remove traffic congestion through the construction and rehabilitation of selected links of the national highway network and will address key institution constraints both in the Central Government (specifically in MOST) and in six States: Gujarat, West Bengal, Punjab, Haryana, Tamil Nadu, and Uttar Pradesh. The key institutional-building issues are the establishment of an intermodal planning and coordination capacity, the strengthening of a highway planning and construction capability, the introduction of modern highway design and economic evaluation techniques both at the central and state government levels, and the, albeit modest, initial steps aimed at the modernization of the road transport industry. The economic case for the project rests on the expected reduction in vehicle operating costs, passenger travel time, and in the costs of road rehabilitation and maintenance. When the projects are implemented, significant savings will accrue from reduced fuel consumption, tire wear, vehicle maintenance and depreciation, and time and road maintenance-related costs. Also in some cases future road reconstruction costs will be delayed. The estimated economic rate of return is 26 percent.

Date Approved: May 9, 1985.

ENERGY: The Chandrapur Thermal Power Project will consist of: (a) installation of two 500 MW generating units, including boilers, turbogenerator sets, electrical and mechanical auxiliary equipment, associated civil works, and common services and facilities; and (b) thermal plant rehabilitation program.

Borrower/Implementing Agency: India, Maharashtra State Electricity Board (MSEB).

Terms: $300.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project costs: $1,296.7 million equivalent.

Purpose and Benefits: The project's main objective will be to assist in meeting the electricity demand in the Western Region of India through the addition of 1,000 MW of thermal capacity at the Chandrapur thermal power plant in Maharashtra. The economic rate of return is estimated at 11 percent.

Date Approved: May 16, 1985.

ENERGY: The India-Rihand Power Transmission Project's comprises the installation of about 910 km of 500-kv direct current (DC) power transmission line between Rihand and Delhi, and the associated converting stations, together with about 1,450 km of 400-kv alternating current (AC) line connecting Singrauli-Rihand with the main load centers at Kanpur, Delhi, Panipate, and Jaipur and related substations in the Northern Region. The project will introduce long-distance, high-voltage, direct current (HVDC) power transmission technology to India.

Borrower/Implementing Agency: India, National Thermal Power Corporation (NTPC).

Terms: $250.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $665.9 million equivalent.

Purpose and Benefits: Main objective is to help meet the demand for electricity in the Northern Region of India by providing transmission linkage between the thermal power plants at Singrauli-Rihand in the State of Uttar Pradesh and the main load centers in the Northern Region, and to ensure the evacuation of power from these plants at least cost to the economy.

Date Approved: May 28, 1985.

ENERGY: The Kerala Power Project provides for the construction, on the lower Periyar River in the Idukki District, of a powerhouse housing three generating units each of 60-MW capacity, and the construction and installation of about 415 km of 220-kv double circuit transmission lines, additional transmission substations of 1,180-MVA capacity, 760 MVAR of reactive power compensation devices, additional distribution substations (110-kV, 11-kV) of 270 MVA capacity, and the associated distribution cables and lines, switching stations, and distribution transformers.

Borrower/Implementing Agency: India, Kerala State Electricity Board (KSEB).

Terms: $176.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $399.8 million equivalent.

Purpose and Benefits: The project's main objectives are: (a) to assist in meeting the electricity demand in the State of Kerala and the Southern Region of India through the construction of a 180-MW hydropower station; (b) to improve the performance and efficiency of the existing system through the reinforcement of Cannanore, Kozhikode, and Cochin and through the installation of reactive power compensation equipment; and (c) to strengthen KSEB's managerial, commercial, and financial practices through an institutional development program. The economic rate of return for the program will be about 37 percent, if benefits are based on incremental revenues at average retail tariffs and quantifiable industrial and agricultural consumer's surplus. The actual rate of return is likely to be considerably higher if domestic consumer's surplus or industrial output made possible by the alleviation of power shortages is taken into account.

Date Approved: June 13, 1985.

AGRICULTURE: The National Social Forestry Project will consist of: (a) a plantation program in the four participating states, including farm forestry, tree tenure schemes for landless persons and marginal farmers on government wastelands, community woodlots and departmental plantations on government wastelands; (b) training; (c) research and studies; (d) institutional support; and (e) fuel saving devices.

Borrower/Implementing Agency: India, Ministry of Environment and Forests and States of Gujarat, Himachal Pradesh, Rajasthan, and Uttar Pradesh.

Terms: $165.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $327.8 million equivalent.

Purpose and Benefits: The project's primary objectives are to: (a) increase production of fuelwood, small timber, poles, and fodder; (b) increase rural employment, farmers' incomes, and opportunities for participation by landless persons; (c) afforest degraded areas and wastelands, and reduce soil erosion; and (d) strengthen forestry institutions. Direct beneficiaries will be about 6 to 8 million small and marginal farmers expected to participate in the project. Other beneficiaries will be the rural poor and semi-urban population who depend on such forest products. The project will also strengthen forestry institutions and help to improve the ecology, soil fertility, and climatic conditions. The estimated economic rate of return is 27 percent.

Date Approved: June 18, 1985.

AGRICULTURE: The Maharashtra Composite Irrigation III Project will consist of two command areas: Jayakwadi (200,000 ha) and Majalgaon (100,000 ha). The main components for Jayakwadi will be: (1) completion of irrigation systems on about 45,500 ha; (2) completion of main drains, link drains, and rural roads on about 153,000 ha; (3) construction of field channels, drains, and structures on about 68,000 ha and field-canal protection on about 102,000 ha; (4) landshaping of about 128,000 ha; (5) development of three Specially Developed Distributories (SDDs) on about 7,300 ha; and (6) technical support to farmers. For Majalgaon, the project will include: (1) constructing 116 canal regulation structures; (2) construction of Majalgaon main canal from km 67 to km 100; (3) construction of the distribution system up to the 1-cusec outlet in an area of about 57,000 ha; (4) construction of main and secondary drainage and road networks on about 24,000 ha; (5) on-farm developments and landshaping of about 24,000 ha; (6) development of a Majalgaon SDD on 4,000 ha; and (7) technical support to farmers.

Borrower/Implementing Agency: India, Government of Maharashtra.

Terms: $160.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $322.7 million equivalent.

Purpose and Benefits: The project will increase agricultural production and farmer incomes by increasing yields of existing crops and permitting more intensive cultivation of farmland through irrigation. The annual incremental agricultural production at full project development will be for sugarcane, 692,000 tons, straw, 481,000 tons, bananas, 469,000 tons, sorghum, 440,000 tons, groundnuts, 100,000 tons, sunflower, 78,000 tons, pearl millet, 28,000 tons, chickpea, 23,000 tons, and green and black grain, 20,000 tons. The total value of agricultural production will increase by about $220.0 million per year. About 66,000 farm families will benefit directly from the project: the project will generate 95,000 full-time additional jobs, and more than 50 percent of the additional employment will go to the landless families in the project area and to migrant laborers from poorer neighboring districts. The economic rates of return range from 13 percent to 40 depending on the sub-area.

Date Approved: July 16, 1985.

WATER SUPPLY AND SEWERAGE: The Kerala Water Supply and Sanitation Project will consist of the construction of treatment, transmission, and distribution facilities to provide a design supply of appropriately 180 million liters per day (mld) of safe piped water to the Kottayam, Greater Cochin Development Area (GCDA) and Quilon rural Panchayats and the rural areas of Puthencruz, Adoor, Chithara, and Vilappil; the improvement and extension of facilities to augment the design supply of water by about 35 mld to the Quilon Municipal corporation area, and the provision of low-cost sanitation to 10 medium-sized towns and selected rural areas. In addition to the consultant work undertaken as part of project preparation, the project will provide funds for technical support for the implementation of accrual accounting and financial management systems for KWWA and the project entities.

Borrower/Implementing Agency: India, The Kerala Water and Wastewater Authority (KWWA).

Terms: $41.0 million equivalent IDA credit, 50 years with a 0.75 percent service charge per annum. Total project cost: $85.2 million equivalent.

Purpose and Benefits: The project to be commissioned in 1989/1990 will provide a piped water supply service for the first time to about 1.5 million people living in seven rural areas, most of whom have no safe supply at present. A further 190,000 people, mostly in the low income groups in the Quilon Municipal Corporation area, would also receive an improved service. By the time of commissioning, all households in the project area will receive a basic supply of at least 30 lpcd. Thereafter, the proportion of direct house connections to standpost usage is expected to grow steadily and net service levels are expected to increase. By the year 2000, about 60 percent of the population in the Kottayam and Quilon Municipal Corporation area and GCDA, 60 percent to 80 percent of connected households will be provided with approximately 112.5 lpcd of piped water. The remainder of the population served in both urban and rural areas will receive about 30 lpcd through public standposts. The low cost sanitation program will provide 100 percent coverage of the population in the 10 medium-sized towns and selected rural areas. The estimated rates of return for each of the water supply subprojects are from 12 to 14 percent in the cities and 7 percent in the poorer rural areas. The overall economic rate of return is estimated to be 8 percent.

Date Approved: July 16, 1985.

HEALTH: The Fourth Population Project (West Bengal) will consist of: (a) service delivery; (b) demand generation, including information, education, and communications activities and population education; (c) training; (d) monitoring and evaluation; and (e) project management.

Borrower/Implementing Agency: India, Ministry of Health and Family Welfare (MOHFW).

Terms: $51.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $89.9 million equivalent.

Purpose and Benefits: The project will have as its major objectives a reduction of fertility and infant, child, and maternal mortality in the State of West Bengal. It will assist the Government of West Bengal (GWB) in accelerating the development of its family welfare program in the State generally, and more specifically in four selected districts with a total population (1985) of approximately 12.2 million.

Date Approved: July 23, 1985.

INDONESIA

ENERGY: The Supplemental Loan for the Tenth Power Project will consist of helping to harness the large undeveloped hydroelectric potential of the Citarum River, the third largest river in Java, to meet Java's rapidly growing demand for electricity. The project supports the construction of the Saguling Dam, and associated hydroelectric power plant, which at commissioning will be the largest hydroelectric power station in Indonesia. The project also provides technical assistance to PLN to build its capacity in the areas of power market studies, system planning, and contract management and supported the detailed design of the Cirata hydroelectric project (subsequently assisted by Bank Loan 2300-IND).

Borrower/Implementing Agency: Republic of Indonesia, Perusahaan Umum Listrik Negara (PLN).

Terms: $50.0 million equivalent IBRD loan. 15 years at the Bank's standard variable interest rate per annum. Total increase in project cost: $26.1 million equivalent.

Purpose and Benefits: The problems that have been encountered in the construction of the dam, tunnel, power house and spillway are of a nature that could not have been foreseen. Moreover, the coincidence of unexpected geological and geotechnical developments in this instance surpasses the contingencies that are normally provided for such works. Throughout the implementation period, PLN and the supervising consultants have drawn upon the advice of the independent Board of Consultants constituted during the final year of the feasibility study and associated with the project ever since, and have acted to move the project along at a rapid a pace as possible.

Aside from the geological and geotechnical problems which have been experienced, there are no significant problems in project implementation. A revised estimate of the economic rate of return of approximately 18% (relative to the 16% estimated at appraisal), the project remains economically viable. Moreover, the project is entering a critical phase in terms of activity scheduling, when financial flows to the contractors must be maintained in order to avoid costly delay.

Date Approved: October 2, 1984.

EDUCATION: The Secondary Education and Management Training Project will consist of: (a) inservice training for teachers of science, mathematics and English and for provincial school supervisors and headmasters; (b) the provision of school science equipment (c) technical assistance to develop the institutional capacity to operate a more effective national school examinations system; and (d) technical assistance to strengthen management and planning performance in the Ministry of Education and Culture (MEC) through a fellowship training scheme and a management study.

Borrower/Implementing Agency: Indonesia, Directorate of General Secondary Education, Ministry of Education and Culture.

Terms: $78.0 million equivalent IBRD loan. 20 years at the Bank's standard variable interest rate per annum. Total project cost: $129.9 million equivalent.

Purpose and Benefits: The main benefits of the project will be to improve the quality of about 42,000 teachers in key subject areas; increase the availability of improved science equipment at about 8,200 public and private secondary schools; strengthen the national examinations system; and improve the management and planning skills of about 250 senior MEC officials.

Date Approved: October 16, 1984.

AGRICULTURE: The project includes: (a) a pilot project to promote sustainable upland farming systems covering 23,000 ha in eight districts of the Jratunseluna River Basin in central Java and the Brantas River Basin in east Java; (b) farming systems research for areas of critically eroded lands, the results of which will be tested on 72 demonstration plots; (c) about 475 km of access roads; (d) human resources development, under which training will be provided to farmers and community leaders, agricultural extension agents, and to planning, management, and administrative staff at the provincial and district levels; (e) institutional development, under which long-term specialists would be recruited to provide support and training at various levels; and (f) a US$500,000 project innovation fund, which will finance proposals from nongovernment institutions and special government-funded activities that address issues of upland productivity and/or resource conservation.

Borrower/Implementing Agency: Indonesia, INDRES Dati I.

Terms: $11.3 million equivalent IBRD loan. 20 years at the Bank's standard variable interest rate per annum. Total project cost: $50.2 million equivalent.

Purpose and Benefits: The Upland Agricultural Conservation Project will further develop and disseminate the technology for soil and water conservation and upland farming systems, establishing the basis for expanding this program to similar areas of critical lands in Indonesia. The primary benefits to the economy from the project will be the increased productivity of low-yielding and rapidly eroding uplands through the introduction of improved farming systems and conservation practices. In addition, the protection against siltation of three existing dams in the Brantas River Basin and irrigation systems in both the Brantas and the Jratunseluna watersheds, through reduced soil erosion upstream, will represent substantial savings to the economy. The impact of the agricultural research and extension components on improving the productivity of other critical areas, although not easily quantifiable, can be expected to be substantial given the low productivity and rapid degradation prevailing in similar areas in Indonesia. The economic rate of return (ERR) for the project is estimated at 12%.

Date Approved: October 30, 1984.

AGRICULTURE: The Second Smallholder Rubber Development Project will consist of establishing about 76,000 ha of rubber, providing planting materials for an additional 19,500 ha to be established by partially-assisted farmers, and maintaining about 57,000 ha of previously established rubber. To promote institution building, the project will emphasize manpower training and help to develop the institutional and financial arrangements required for successful Project Management Unit rubber estabishment.

Borrower/Implementing Agency: Indonesia, Smallholder Rubber Development Project Unit of the Ministry of Agriculture.

Terms: $131.0 million equivalent IBRD loan. 20 years at the Bank's standard variable interest rate per annum. Total project costs: $221.0 million equivalent.

Purpose and Benefits: The objective of the project is to expand and improve the effectiveness of the Government of Indonesia's smallholder rubber development program, in order to increase foreign exchange earnings, create employment, improve the income of rubber smallholders, promote regional development, and increase the productivity of underutilized land. Increased foreign exchange earnings over the life of the rubber trees established under this project will be $3 billion (1984 dollars), an average of $100 million per year. The project will also promote development in areas of Indonesia with few economic alternatives. About 45,000-65,000 families will benefit from rubber planting (depending on the number of hectares planted per family) and another 50,000 families will receive help with maintenance. These project beneficiaries are subsistence and near-subsistence farmers whose average income under this project will increase from $600 to $1,500-2,000 at full development. In addition, the project will create 1,500 jobs in nurseries and administrative work, and smallholder labor demand will increase an incremental 60,000 man-years annually at full development.

Date Approved: February 19, 1985.

HEALTH: The Indonesia Fourth Population Project will (a) help strengthen the National Family Planning Coordinating Board's (NFPCB) activities by: (i) further decentralizing program administration, improving field communications and mobility of fieldworkers; (ii) expanding and improving NFPCB's education and training capacity; (iii) strengthening information, education and communication activities; (iv) expanding population education; (v) developing integrated family planning, health, and nutrition services in transmigration settlement units in five provinces; and (vi) strengthening research activities; and (b) assist the Ministry of Population and Environment (MOPE) in: (i) developing a long-term Population Plan of Action; (ii) strengthening population studies centers in 10 universities; and (iii) strengthening the capabilities of nongovernmental organizations to carry out population-related activities.

Borrower/Implementing Agency: Republic of Indonesia, NFPCB and MOPE.

Terms: $46.0 million equivalent IBRD loan. 20 years at the Bank's standard variable interest rate per annum. Total project cost; $94.4 million equivalent.

Purpose and Benefits: Given the project's institutional development objectives, it would be difficult, if not impossible to estimate its direct contribution to or impact on the reduction of fertility. However, the physical and human resource investments of the project, specifically its field operations, staff training, Information, Education and Communication (IEC), and population education components would be an important contribution towards reducing the crude birth rate. In addition, the project would directly help the NFPCB and the MOPE, respectively, to develop the increasingly diverse and innovative population and family planning policies, strategies, and activities that would be required to further reduce Indonesia's rate of population growth. Through the transmigration service delivery component of the project, about 268,000 couples and about 805,000 children in the transmigration areas are expected to benefit from integrated family planning and health services.

Date Approved: May 7, 1985.

HEALTH: The Second Health (Manpower Development) Project would: (a) help to expand the output and improve the quality of the Ministry of Health (MOH) paramedical manpower through (i) strengthening the Center for Education of Health Manpower (PUSDIKNAKES) by local and overseas training and technical assistance; (ii) providing new and/or improved physical facilities for 32 schools and academies in 18 provinces; (iii) carrying out three studies required to further develop manpower development policies for the Government's Fifth National Five-Year Plan for 1989-94 (Repelita V) and beyond; and (b) help expand the capacity for and improve the quality of MOH's in-service education and training through (i) strengthening the Center of Education and Training of Health Personnel (PUSDIKLAT) by local and overseas training and technical assistance; and (ii) provide new and/or improved physical facilities for eight in-service training centers.

Borrower/Implementing Agency: Indonesia, Ministry of Health.

Terms: $39.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $65.9 million equivalent.

Purpose and Benefits: The principal direct benefits of the project would be broadly threefold. First, the quality of education and training conducted in 32 (19 existing and 13 new) paramedical academies and schools, about 15 percent of the MOH's paramedical manpower training infrastructure in 1988/89, would be significantly enhanced through the provisions of new and/or improved physical facilities, including appropriate equipment, teaching materials and vehicles for field practice. Second, the provision of the new and/or improved physical facilities for 8 MOH in-service education and training systems, which is still at an early stage of development. Third, the managerial, supervisory and technical support capability of the MOH's two new national centers, responsible for pre-service and in-service training (PUSDIKNAKES and PUSDIKLAT, respectively) would be strengthened through a combination of local and overseas training and technical assistance. In addition to these direct quantitative, qualitative and institution-building benefits, the various studies to be undertaken under the project would assist the MOH and indirectly BAPPENAS, to plan future paramedical manpower development, specifically for Repelita V, in a more effective and efficient manner.

Date Approved: May 14, 1985.

AGRICULTURE: The Kedung Ombo Multipurpose Dam and Irrigation Project will consist of: (a) construction of the Kedung Ombo Dam, appurtenant structures, diversion works, a hydroelectric power plant (28.5 MVA) and associated transmission line (30 km, 150 kv), and three micro-hydroelectric power plants (about 1.8 MVA each) and associated transmission lines (20 kv); (b) improving existing irrigation (34,240 ha) and constructing two new irrigation systems (25,100 ha); (c) establishing a flood warning and water monitoring system for the dam and irrigation operations; and (d) provision of technical assistance for: (i) training in dam construction and safety inspection, and in reservoir operation; (ii) design of the irrigation works serving 121,300 ha from the Jatigede Dam (West Java); (iii) surveys for updating classification of land for tax purposes to improve cost recovery: (iv) surveys for monitoring resettlement and compensation payments; and (v) studies for soil and water conservation.

Borrower/Implementing Agency: Indonesia, Ministry of Public Works, Directorate General of Water Resources Development.

Terms: $156.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost. $283.1 million equivalent.

Purpose and Benefits: The main objectives of the project are to increase food production on some 59,340 ha, stimulate employment in the project area, control damaging floods in rural and urban areas, supplement water supplies for some 300 villages and towns, generate 74 GWh of power which would be fed into the national grid, and improve water management in the project area.

Date Approved: May 16, 1985.

EDUCATION: The Second University Development Project will consist of: (a) development of new graduate-level programs in selected fields of study and research; (b) initiation of five specialized undergraduate fields of study which are currently not available in Indonesia; and (c) strengthening of overall university planning and management. The project will finance about 845 graduate fellowships; about 1,000 research grants; about 3,000 differing prototype instructional materials; facilities and equipment for 16 inter-university graduate education centers; and related technical assistance.

Borrower/Implementing Agency: Indonesia, Ministry of Education and Culture.

Terms: $147.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $244.5 million equivalent.

Purpose and Benefits: The main benefits of the project will be to increase the proportion of university teachers holding advanced degrees from 15 percent to 35 percent; improve the quality of education materials, teaching methods and research; and increase management capacity of administration and planning of higher education.

Date Approved: May 21, 1985.

AGRICULTURE/WATER SUPPLY AND SEWERAGE: The West Tarum Canal Improvement Project includes. (a) improvement of the West Tarum Canal (WTC) and its major structures, (b) the construction of a pipeline from the canal to the Pulogadung Treatment plant; (c) strengthening the operation and maintenance (O&M) capacity and financial condition of the Jatiluhur Authority; (d) technical assistance for: (1) construction supervision, (2) design of a future conveyance canal and pipeline, (3) land mapping for reclassification and reassessment of taxation, (4) protection of raw water, and (5) improvement of safety measures at the Jatiluhur Dam.

Borrower/Implementing Agency: Indonesia, Ministry of Public Works (DGWRD) and the Jatiluhar Authority (POJ).

Terms: $43.4 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $72.8 million equivalent.

Purpose and Benefits: The project will increase food crop production, improve water supply to Jakarta, reduce foreign exchange expenditures for rice and other foodgrain imports, and enhance employment and income opportunities in the agricultural sector. At full development, about 82,000 tons of paddy and about 22,000 tons of soybean and maize will be produced annually which will save GOI about $22.0 million each year in foreign exchange by reducing imports. An equivalent of 15,000 full-time farm jobs will be created through crop intensification and associated marketing services every year. Civil works of the project will generate some 4 million man-days of construction labor during the 5-year implementation period. Jakarta will receive a progressively increasing amount of raw water with improved quality which will, upon completion of implementation in 1990 generate some $3.9 million of benefits. About 140,000 rural families, most of whom are small landholders with incomes below absolute poverty, and 700,000 urban families, will benefit from the project directly and indirectly. The economic rate of return (ERR) of the entire project is estimated at about 26 percent. The ERRs for the irrigation, water supply, and pipeline components are 38 percent, 13 percent, and 19 percent, respectively. The high ERR of the irrigation component is mainly due to relatively low project cost and sunk costs of existing facilities.

Date Approved: May 28, 1985.

TRANSPORTATION: The National Ports Development Project will consists of: (a) rehabilitation and modernization of five ports in the Public Port Corporation II (Tanjung Priok, Teluk Bayur, Panjang, Palembang, and Pontianak); (b) training for port personnel and staff of port service organizations; and (c) technical assistance for strengthening of maritime sector management and planning, preparation of future water transport and land transport improvement schemes, and improving oversight of state transport corporations.

Borrower/Implementing Agency: Indonesia, Public Port Corporation II (PERUMPEL II).

Terms: $111.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $186.5 million equivalent.

Purpose and Benefits: The project will demonstrate how port efficiency improvements, and thus sea transport cost reductions, can be achieved through the application of internationally proven port management and operations practices and arrangements. The project will also arrange for necessary facility rehabilitation and modernization in ports to facilitate seaborne cargo unitization. Measurable project benefits will largely result from reductions in ship waiting and service waiting and services times. Such reductions will materialize as a consequence of streamlined port operations and improved port facilities. A substantial proportion of ship turnaround time reductions will be achieved through gradually increasing cargo unitization, which will be promoted under the project. Also, containerization of shipments will lead to a diminishing incidence of cargo loss and damage. All these reductions will translate into cost savings for the shipping lines, the freight forwarders, and insurance companies. Unmeasured indirect project benefits will include: (a) more efficient utilization of domestic ships, which will curtail to some extent Directorate General of Sea Communications (DGSC) projected fleet development requirements; (b) reduced port expansion needs because unitized cargo-handling allows a higher intensity of facility utilization than current arrangements; and (c) facilitation of regional development through reduced commodity costs, and thus accelerated trade growth. Finally, the project will be beneficial through establishing a replicable framework for improving port productivity throughout Indonesia. The estimated economic rate of return is 32 percent.

Date Approved: June 11, 1985.

AGRICULTURE: The Fifth Transmigration Project will consist of: (a) a four-year time slice of the national mapping program consisting of aerial photography, and the preparation of base maps and altimetric levelling networks in the Other Islands; (b) physical planning for 300,000 sponsored transmigrant families to be settled in Sumatra, Kalimantan and Irian Jaya; and (c) a transmigration program review, technical assistance, and training for the project executing agencies and domestic consultants.

Borrower/Implementing Agency: Indonesia, Ministry of Transmigration.

Terms: $160.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $275.3 million equivalent.

Purpose and Benefits: The project is expected to lead to the eventual settlement of about 300,000 trasmigrant families through its physical planning component. These people, who are largely landless with little prospect of obtaining land in their overcrowded places of origin, qualify as "the poorest of the poor" in Indonesia. Given the worsening problems of erosion and other environmental hazards caused by intense pressure on rural land in Java and Bali, transmigration represents a major means of increasing the number of people directly employed in agricultural production. The likely ERRs for a series of possible models with second stage development in remote areas such as Irian Jaya and Kalimantan (7 percent-12 percent) are lower than in traditional transmigration areas such as Sumatra (10 percent-15 percent). These lower returns result from the lack of existing infrastructure and the higher transport costs involved. Some of the ERRs, based on quantifiable costs and benefits only, will also be lower than the opportunity cost of capital in Indonesia which is currently estimated at 10 percent. However, unquantifiable economic and social benefits which must be taken into account included the social value of providing land to the landless, increased food security, and improved regional development.

Date and Benefits: June 11, 1985.

EDUCATION: The Science and Technology Training Project will consist primarily of about 1,500 fellowships in areas directly related to the project institutes' research programs in the next decade. Because of the wide range of activities of the research institutes, the fields of study of the fellows will be diverse, but mainly concentrated in various branches of engineering and the physical sciences.

Borrower/Implementing Agency: Indonesia, Ministry of State for Research and Technology.

Terms: $93.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $153.7 million equivalent.

Purpose and Benefits: The principal objective of the project will be to strengthen the country's research and development capacity by developing a nucleus of well-trained Indonesian scientific and technical personnel. Since the major part of this study program will be provided in overseas universities, the project will also seek to develop effective policies and procedures for the implementation and monitoring of overseas fellowships programs. A third objective will be to develop and strengthen collaborative relationships between Indonesian and foreign universities and research institutions. As a result of the project, a nucleus of about 1,500 scientists, engineers, and other professional-level personnel will be trained abroad, and another 1,200 will be trained within Indonesia. On their return they will directly strengthen the research and development functions of the non-ministerial government institutes, with the objective of accelerating the country's industrialization. They will also add considerably to the small stock of Indonesian scientific and technological personnel conducting research in the public sector, and will influence teaching and research in their fields of study in Indonesian universities. The links between local and foreign institutions that will be established during the project will enable Indonesian researchers to keep abreast of developments in their fields.

Date Approved: July 2, 1985.

IVORY COAST

AGRICULTURE: The Second Forestry Project will consist of: (a) about 204 man months of service by experts on a long-short-term basis in support of studies for policy development and for smallholder forestry development, and 60 man months for improved financial control; (b) mechanical clearing of about 20,000 ha of logged over forest reserve, replanting this area, along with 2,000 ha of land previously planted which was burned over in 1982/83; (c) maintenance and protection of the newly planted forests, and plantation infrastructure, in addition to thinning and pruning of the 35,300 ha of immature existing plantations; (d) provision of about 240 man months of service by experts on a long-term basis, and 50 man months of short-term consultants' services in areas affecting plantation establishment; and (e) support for production-oriented applied research and foreign study tours for qualified SODEFOR staff.

Borrower/Implementing Agency: Ivory Coast, Ministry of Agriculture, Water and Forests, and SODEFOR.

Terms: $31.3 million equivalent IBRD loan. 20 years at the Bank's standard variable interest rate per annum. Total project cost: $51.6 million equivalent.

Purpose and Benefits: The principal quantifiable benefit from the project will be the 6.6 million m^3 of standing timber produced over 35 years. This will have a value of about CFAF 380 billion (US$880 million) on the stump. This wood will provide a valuable basic resource as a substitute for dwindling supplies of wood from the natural forest. Thus, the project will assist Government to provide a reliable source of wood for the forestry industries, and for export. Unquantifiable benefits will be derived from institutional strengthening and reform of forestry policies, as well as ecological benefits. The principal technical risk is that of fire, which since 1982 has intensified as a result of drier conditions and an increase in the intensity of farming near and in the forest reserves. Fire prevention measures have been taken by SODEFOR, and the project has been designed to minimize fire risk. Nonetheless, the spread of farming, which exacerbates this risk, continues and cannot be fully controlled by SODEFOR. Government will be assisted under the project to strengthen institutional arrangements for forestry reserve control and management of natural resources. Marketing uncertainties exist but are not major since markets will be readily available for the valuable species planted. The economic rate of return is estimated at 62 percent.

Date Approved: February 26, 1985.

TRANSPORTATION: The Second Highway Sector Program will consist of: (a) highway investments; (b) periodic and routine road maintenance of the road network; (c) training of the highway personnel in MTPCTP in road maintenance planning, execution and supervision; (d) technical and organizational assistance to improve the efficiency of the road transport industry; (e) enforcement of road traffic legislation and policy; and (f) the preparation of a national transport plan.

Borrower/Implementing Agency: Ivory Coast, MTPCTP.

Terms: $110.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $230.7 million equivalent.

Purpose and Benefits: Transport costs inside the Ivory Coast and for transit to the adjacent countries will be significantly reduced through a decrease in vehicle operating costs, improvement in competition among transporters, and reduction in administration constraints on road transport. The program will consolidate the practice of allocating resources in the highway sector in accordance with priorities based on economic analysis. The economic rate of return is estimated at 12 percent or more for highway subprojects, except for the economically disadvantaged northern part of the country where a minimum of 10 percent will apply.

Date Approved: June 13, 1985.

INDUSTRY: The Industrial Finance and Development Project will consist of: (a) a line of credit to finance investment and permanent working capital of economically viable existing manufacturing enterprises in need of restructuring, rehabilitation or expansion, as well as for new projects (b) establishment, within the Ministry of Industry, of an Industrial Advisory Services Unit to assist enterprises in undertaking the steps needed to adjust to the Government's industrial policy reforms; (c) broad product identification, marketing and/or other studies to help develop exports of wood, textile and other manufactured products; (d) advisory services to assist the Central Bank in administering the line of credit; and (e) consultancy services to train the staff of the Central and participating banks in economic analysis of subprojects.

Borrower/Implementing Agency: Ivory Coast, commerical and specialized banks involved in industrial lending.

Terms: $30.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total Project cost: $49.3 million equivalent.

Purpose and Benefits: Major benefits of the projects will be to facilitate the implementation, at the enterprise level, of the Government's Structural Adjustment Program; provide needed term resources and technical assistance for the adjustment, through restructuring, rehabilitation and/or expansion, of potentially viable enterprises affected by the ongoing policy reform; strengthen the capacity for development lending in a larger number of financial institutions, including the commercial banks; assist the development of manufactured exports to nontraditional markets; and initiate discussions with the Government and BCEAO – the regional Central Bank – on some key issues in the financial sector. The economic rate of return is estimated at 15 percent or more for all subprojects.

Date Approved: September 10, 1985.

HEALTH: The Health and Demographic Project will consist of: (a) strengthen health manpower development through expansion of nurse training capacity to address current shortages, through implementation of a revised curriculum, including family planning and field training, that is more responsive to the health needs of the country, and through development of health manpower planning capacity; (b) improve MOPHP management capability and efficiency of health service delivery by strengthening: (i) the Central Directorates through development of a management information system and improvement in planning and operations: (ii) major hospitals through management training, development of cost-containment programs and strengthening of key services; and (iii) basic health services through training programs for all staff including auxiliaries and programs in management, supervision and evaluation.

Borrower/Implementing Agency: Ivory Coast, Ministry of Public Health and Population (MOPHP).

Terms: $22.2 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $29.7 million equivalent.

Purpose and Benefits: The project would improve the quality of nurse training and, over the longer term, would help to address a serious shortage of nursing staff. The overall quality of service delivery is expected to be improved through strengthening of the management of MOPHP Directorates. Cost-containment measures in selected principal hospitals would improve their operating efficiency and permit the orderly introduction of cost recovery mechanisms planned by the Government. Strengthening in-service training and supervision of staff in 70 health centers would serve as a first step in developing a national model for the delivery of basic health care in urban and rural areas.

Date Approved: September 19, 1985

JAMAICA

NON-PROJECT: The Third Structural Adjustment Operation will consist of financing for imports of raw materials, intermediate goods, non-luxury consumer goods, capital equipment and spare parts.

Borrower/Implementing Agency: Jamaica.

Terms: $55.0 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum.

Purpose and Benefits: Overall, the third SAL will aim at achieving export development and economic deregulation. More particularly the program will focus on the following problem areas: (a) the balance of payments situation; (b) fiscal imbalances caused by inadequate public sector savings; (c) the sluggish performance of both the agricultural and manufacturing sectors; (d) inadequacies in public administration, particularly in the areas of financial and personnel management, and (e) excessive petroleum imports.

Date Approved: November 20, 1984.

TECHNICAL ASSISTANCE: The Second Technical Assistance Project will consist of financing consultants, training and equipment to support three major objectives: institutional development and improved fiscal performance of key public-sector entities; promotion of exports; and human resource development. In particular, the project will, *inter alia*, help improve the financial and managerial performance of the revenue services and of the publicly-owned airline company and strengthen the Planning and Statistics Institutes, the National Investment Bank of Jamaica, and the Ministry of Education. It will also finance a manpower planning study to help identify ways of mobilizing, training and employing human resources. In addition, the project will fund a facility to provide financing for technical assistance to exporters on favorable terms, as well as a study to reorient the incentives system to promote the expansion of exports.

Borrower/Implementing Agency: Jamaica, Jamaica Export Credit Insurance Company (Technical Assistance Fund for Export TAFEX).

Terms: $9.0 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $10.44 million equivalent.

Purpose and Benefits: The project will make a significant contribution to the structural adjustment program by helping to institutionalize and sustain policy initiatives undertaken in the last three years. The project's main risks will be the following: first, the degree of skill transfer achieved from consultants to local professional counterparts may not be wholly adequate to sustain institutional development, and the management problems experienced under the first technical assistance loan may persist. The project design has anticipated this possible problem and has built in appropriate safeguards. Second, the potential demand for the resources to be provided under the relatively novel TAFEX is uncertain.

Date Approved: March 19, 1985.

JORDAN

WATER SUPPLY AND SEWERAGE: The Greater Amman Water Supply and Sewerage Project will consist of: (a) about 100 km of water distribution network; (b) about 350 km of trunk mains and secondary sewers; (c) sewage treatment works for the Baqa'a Valley and Wadi es Sir drainage zones (two suburban areas in the Greater Amman area) with a first stage capacity of 8,000 and 2,400 m3/day (maximum flow), respectively; (d) operation and maintenance equipment; and (e) consultant assistance for engineering, project management, and construction supervision.

Borrower/Implementing Agency: Jordan, Water Authority of Jordan (WA).

Terms: $30.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $56.4 million equivalent.

Purpose and Benefits: The project is expected to have a significant impact on living conditions and health standards in the project area, including lower income people in the Baqa'a Valley. Its major objectives will include: (a) extension of sewerage services in the project area to about 94 percent of total population (in 1989) from present coverage of about 67 percent through rehabilitation and extension of the sewage systems; (b) reduction of groundwater pollution by decreasing the infiltration of cesspool effluents within Greater Amman so that by 1989 only 45 percent of the population will be served by cesspools compared to 60 percent of the population in 1984; (c) recycling of waste-water for agricultural purposes through the provision of satisfactory sewage treatment facilities; (d) improvement of water supply services and reduction of water losses through distribution system rehabilitation; (e) continuation of assistance in the development of the WA and in the establishment of proper financial procedures in order to achieve financial self-sufficiency through adequate charges for water supply and sewerage services; and (f) preparation of the next stage extension of water supply, sewerage and sewage disposal facilities on a priority basis.

Date Approved: January 8, 1985.

HEALTH: The Primary Health Care (PHC) Project will consist of: (a) the establishment of 25 new PHC center, the refurbishing of 9 PHC centers, and the establishment of 17 comprehensive health care centers; (b) training for personnel at all levels to work in the new health care facilities; (c) audio-visual equipment, materials and vehicles to improve and expand health, population and nutrition education; and (d) funds for local consultants for evaluation and the projects, research on key sector topics, preparation of future projects, and project management.

Borrower/Implementing Agency: Jordan, Ministry of Health (MOH).

Terms: $13.5 million equivalent IBRD Loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $30.5 million equivalent.

Purpose and Benefits: The project will support the Government's effort to reorganize primary health care in Jordan and will improve the coverage, quality, and efficiency of PHC, including birth spacing services, and of outpatient referral care in the basic medical specialties. The project is expected to reach over a third of Jordan's population, including a large number of urban and rural poor. It should have a significant impact on health in Jordan and in particular help bring about a reduction in mortality and morbidity of women of childbearing age, infants and children. The main risk is being addressed by involving communities in the project at an early stage, and by linking improvements in the quality and coverage of health care with an improved referral system.

Date Approved: May 7, 1985.

URBANIZATION: The Second Urban Development Project includes the following major components: (a) upgrading two low-income squatter settlements that house about 4,200 people; (b) servicing land in four sites for about 3,400 plots with initial occupancy by about 24,000 people; and (c) providing technical assistance to the UDD for project design, project planning and supervision. The project will benefit a substantial portion of the population of Greater Amman, a quarter of whom fall below the poverty threshold, and provide for shelter at lower economic costs than existing alternatives.

Borrower/Implementing Agency: Jordan, The Urban Development Department (UDD) of the Amman Municipality and the Housing Bank (HB).

Terms: $28.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $88.15 million equivalent.

Purpose and Benefits: The project will help the Government of Jordan in providing affordable shelter, without subsidity, to low-income groups who have been poorly, if at all, served by other programs. As such, the project will help increase the welfare of a substantial proportion of the population, 26 percent of whom fall below the poverty threshold. Over the 1985-1990 period, when all new accommodation from the First Urban Development Project (UDP1) and this project will come on stream UDP new sites are forecast to accommodate over one half of the increase in target group families in the Amman region and about 17 percent of the total regional population increase (i.e., 66,000 people). The project will also provide for shelter at lower economic costs than existing alternatives and provide better access to social services than is typically the case. The technical assistance component will strengthen local, organizational, and institutional capability in the sector. The base case economic rate of return (ERR) for the project is 14 percent, with ERRs for the upgrading and the sites and services components estimated at 29 and 14 percent, respectively, based on increase in property values and imputed rental values attributable to the project.

Date Approved: June 18, 1985.

URBANIZATION: The Second Cities and Villages Development Bank Project will consist of: (a) a line of credit to CVDB; (b) equipment and technical assistance for CVDB; and (c) training for local government and CVDB personnel.

Borrower/Implementing Agency: Jordan, The Cities and Villages Development Bank (CVDB).

Terms: $15.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $34.1 million equivalent.

Purpose and Benefits: The objectives of the project will be: (i) to support the Government's efforts to improve living standards in Jordan's less developed outer regions; (ii) to continue to facilitate the execution of municipal and village development plans by funding well-appraised projects; (iii) to strengthen CVDB's institutional capacity; and (iv) to support CVDB's role in organizing financial training for local government personnel.

Date Approved: August 27, 1985.

KENYA

WATER SUPPLY AND SEWERAGE: The Nairobi Third Water Supply Engineering Project will consist of the preparation of a third water supply project in Nairobi. The main objectives of the engineering credit are: (a) to prepare a project which will meet the rapidly expanding demands of Nairobi City up to the mid-1990s; (b) strengthen the operations and financial management of the Water and Sewerage Department (WSD) to improve its efficiency and capacity to undertake the third phase investment; (c) develop recommendations for the institutional development of the Water and Sewerage Department; (d) review the finances of the non-water and sewerage activities of Nairobi City and initiate training to improve financial and operational performance; (e) assist in the preparation of long-term program to manage water resource on a regional basis: and (f) assess Nairobi City's longer-term sewerage and sanitation requirements.

Borrower/Implementing Agency: Kenya, Nairoba City Commission (NCC).

Term: $6.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $7.5 million equivalent.

Purpose and Benefits: The prime purpose of the engineering credit is to prepare a third Nairobi water supply project which may continue the phased development of Nairobi City's water supply up to 1995, thereby ensuring a continued reliable water supply. At the same time, the engineering credit will strengthen the initial steps taken to develop the region's potable water resources and usage in a coordinated manner, and identify potential pollution problems and their solution. The engineering credit will also help to identify Nairobi's city long-term sewerage and sanitation needs and focus attention on the implementation of short-term improvements to alleviate future pollution problems. Finally, the proposed engineering credit will contribute to upgrading the operation and finances of both NCC and WSD through studies, training and technical assistance. Without the Bank's continued support, Government and NCC may find it difficult to move to the implementation phase of a third phase water supply project in Nairobi, as substantial co-financing will be required from a number of potential donors, some of whom look to the Bank Group for necessary technical inputs in the form of identification, preparation, appraisal, and supervision of the project.

Date Approved: March 26, 1985.

TELECOMMUNICATION: The Third Telecommunications Project comprises: (a) expansion of telephone and telex switching facilities, associated cable networks and subscriber plants, and expansion of international and long-distance facilities; (b) improvement in workshops and repair facilitites and provision of spare parts; (c) strengthening of KPTC training programs and procurement of laboratory equipment; and (d) improvement of KPTC's management systems and provision of consultant's services for studies, including a review of the telecommunications tariff structure.

Borrower/Implementing Agency: Kenya Posts and Telecommunication Corporation (KPTC).

Terms: $32.6 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $86.1 million equivalent.

Purpose and Benefits: The project forms an integral part of the five-year (1984-88) development plan of KPTC and will be implemented during 1985-89. It will pursue the expansion, improvement and modernization of the infrastructure undertaken by the two previous Bank-financeed projects and support the institutional development of KPTC. Emphasis will be placed on strengthening KPTC's management systems which will be monitored through a series of technical and financial performance indicators. KPTC is one of the few profitable parastatals in the country and is also a fiscal agent collecting a tax, equal to 15 percent of its billings, for the Government. During the period of the development program, the total tax revenue generated is expected to be to $100 million dollars equivalent, of which about 20.3 million dollars equivalent will be incremental. The surpluses generated in excess of the sector's investment needs are available to Government, which is the sole shareholder of KPTC. In the past, this operating surplus has been used to subsidize the postal services. This implicit subsidy also represents a fiscal gain to the Government. In the future, however, KPTC intends to request adequate tariff increases to allow postal operations to be self-supporting. The financial internal rate of return (IRR) for KPTC of the incremental financial flows is 12 percent. Taking the tax revenue raised by KPTC into account, the IRR for the Government, as sole shareholder, is 16 percent. As economic benefits are greater than payments made by subscribers, the economic rate of return for the investment program is estimated at 26 percent.

Date Approved: June 6, 1985.

KOREA

INDUSTRY: The Second Technology Development Project will consist of: (a) a line of credit to cover the estimated foreign exchange requirements of subprojects to be financed by KTDC during 1984-86; and (b) institutional development of KTDC, comprising consulting services, training of KTDC staff, and purchase of training materials for KTDC staff.

Borrower/Implementing Agency: Korea Technology Development Corporation (KTDC).

Terms: $50.0 million equivalent IBRD loan; 11 years at the Bank's standard variable interest rate per annum. Total project cost: $177.7 million equivalent.

Purpose and Benefits: The project will continue support of the Government's effort to facilitate the reorientation of Korean industry through acceleration of industrial technology development. Specifically, the project will aim to: (a) assist KTDC's institutional development through technical assistance, staff development, and training; (b) assist KTDC's catalytic role in technology innovation; (C) establish the foundation for a long-term resource base for KTDC; (d) expand KTDC's operations involving risk-sharing financial instruments; and (e) expand KTDC's support to small- and medium industry (SMIs). KTDC is majority-owned by the private sector. Entrepreneurship and dynamism have been maintained under an independent Board and Management.

Date Approved: October 25, 1984.

WATER SUPPLY AND SEWERAGE: The Metropolitan Region Water Supply Project will consist of providing 1.3 million metric tons per day (mtpd) of water to 25 municipalities around Seoul City and within the metropolitan region. This will improve water service to about 5 million persons and provide the capacity to serve 1.1 million additional persons by 1991. The project will extract water from the Han river, upstream of Seoul, to be treated in three treatment plants before distribution to the municipalities. The project includes two water intakes, three booster pumping stations, two treatment plants, some 175 km of pipes (1,000 to 2,400 mm in diameter) and 14 km of tunnels, and construction supervision. Studies will be carried out to improve the organization of water and sewerage services in the metropolitan region, to establish corporate planning within ISWACO and to set policies for bulk water tariffs at a national level.

Borrower/Implementing Agency: Korea, Industrial Sites and Water Resources Development Corporation (ISWACO).

Terms: $95.0 million equivalent IBRD loan. 15 years at the Bank's standard variable interest rate per annum. Total project cost: $266.3 million equivalent.

Purpose and Benefits: Upon completion of the project, 5 million persons in 25 municipalities will have an improved water supply, be free of rationing and low water pressures, and will be able to increase their usage of water for residential, commercial, and industrial purposes. After completion of the municipalities' distribution networks, the project will make water available to 1.1. million additional persons by 1991 and 2.3 million persons by 1996. It is estimated that about 26 percent of the incremental population to be served with water are below the relative urban poverty threshold. This will mean that by 1991, the number of poor with house connections would more than double. Since most of the urban poor now are either unserved, or have less reliable or less convenient service (standpipes low pressure, water rationing, etc.) they will be benefitted by the expansion of water supply, the improvement of service and the increase in house connections from 77 percent in 1983 to 87 percent by 1988 and 92 percent by 1991, with practically everybody having house connections in the main project cities.

The estimated economic rate of return is 14 percent.

Date Approved: February 5, 1985.

INDUSTRY: The Small and Medium Industry Project will consist of a package of credit and, technical assistance and training tailored to the needs of the Korean small and medium industries. The technical assistance and training component will enable Small and Medium Industry Promotion Corporation (SMIPC) to expand its activities of assisting private enterprises to all Small and Medium Industry (SMI) subsectors. These activities include upgrading skills and improving the productivity of SMI in using existing and new technology at the plant level. This component of the project will also support overseas training of selected SMIPC and SMI staff. The credit component of the loan will help cover foreign exchange requirements of subprojects financed by Small and Medium Industry Bank (SMIB) and Citizens National Bank (SNC) from mid-1985 to mid-1987 and will support the continued institutional development of SMIB and CNB. The project will also promote the development of improved subcontracting policies, which is important to SMI development in Korea where large companies have the potential to play a major role in assisting smaller firms.

Borrower/Implementing Agency: Korea, Small and Medium Industry Promotion Corporation (SMIPC), The Small and Medium Industry Bank (SMIB), and The Citizens National Bank (CNB).

Terms: $11.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $182.2 million equivalent.

Purpose and Benefits: The project with its foreign exchange financing and technical assistance will provide SMI with the means to enter into new high technology fields and to upgrade product quality in order to maintain competitiveness in an increasingly competitive marketplace. Additionally, the project will make a significant contribution to increased employment as it will finance an estimated total of 550 subprojects (200 SMIB, 350 CNB) which will create an estimated 6,000 new jobs. Since individual subprojects to be financed under the loan have not yet been identified, an *ex ante* qualification of their economic impact is not possible. However, under the Bank's past SMI financing in Korea, the average *ex post* financial rate of return was 22 percent and the economic rate of return was 37 percent. Rates of return under the project are expected to be similar to those of past Bank financed subprojects.

Date Approved: April 16, 1985.

URBAN DEVELOPEMENT: The Seoul Urban Transportation project will improve traffic and transport conditions in the Seoul metropolitan area. It includes the provision of missing road links on three major arterials together with road widening and reconstruction of major intersections, all within Seoul City. The project will also improve Seoul Metropolitan Government's (SMG) capability in transport planning and traffic engineering and management by introducing a program to maximize the utilization and improve the safety of existing roads and by supporting the related investment, organizational and staff training needs necessary for successful implementation.

Borrower/Implementing Agency: Korea, Seoul Metropolitan Government (SMG).

Terms: $53.3 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $204.6 million equivalent.

Purpose and Benefits: The project will improve the transport and traffic conditions in Seoul City and its environs through improvements in road infrastructure and traffic management. The various investments included in the project are aimed at reducing traffic congestion, improving speeds and reducing travel times as well as improving road safety. Improvements in traffic are also expected to have a positive effect on the environment. Besides physical improvements, the project will have significant institution building benefits. It will contribute to the strengthening of SMG's capacity in traffic and transport planning. The establishment and strengthening of the Transportation System Management Section and the Accident Prevention and Safety Unit will introduce, to Seoul, techniques in urban traffic management which have a high pay-off economic terms.

Date Approved: April 16, 1985.

AGRICULTURE: The Fourth Agricultural Credit Project will focus on agricultural credit to farmers, farmers cooperatives and small rural businesses to finance investments covering a wide range of agricultural production and other activities that will diversify the sources of rural incomes. It will also address the institutional development issues facing NACF, the main credit institution serving agriculture.

Borrower/Implementing Agency: Korea, The National Agricultural Cooperative Federation (NACF).

Terms: $25.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $55.5 million equivalent.

Purpose and Benefits: The project will focus on agricultural credit and, hence, will promote agricultural development through financing investments covering a wide range of production and marketing activities. It will also include measures to improve NACF's profitability and resource mobilization. Loan demand projections and recent experience suggests that approximately 8,500 NACF subprojects will be financed under the credit component. The subprojects will benefit farmers and other rural or small community residents by enhancing agricultural production efficiency, supporting development of non-rural income sources for rural families, and contributing to the Government's rural income support and population dispersion objections. Analysis of the types subprojects proposed for financing indicate financial rates of return in the range of 18-50 percent and economic rates of return in the range of 17-46 percent.

Date Approved: May 21, 1985.

INDUSTRY: The Second Industrial Finance Project will consist of KLB and KDB onlending the funds to their clients at a variable interest rate at least 2 percent above the effective cost of the Bank loan with maturities not exceeding 13 years including grace periods of up to three years, except where longer grace periods will facilitate commercial cofinancing of subprojects. Subborrowers will bear the foreign exchange and interest rate risks on the Bank loan. Proceeds of the technical assistance component will be on-lent by the Government on the same terms and maturity as the Bank's loan to financial institutions sending their personnel to project-supported training activities.

Borrower/Implementing Agency: Korea, Korea Long-Term Credit Bank KLB) and Korea Development Bank (KDB).

Terms: $222.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum.

Purpose and Benefits: The project constitutes the primary vehicle for Bank involvement in financial sector reform in Korea. The policy dialogue over the FY85-87 period will be based on a policy letter from the Minister of Finance that outlines a monitorable program of reform through decontrol of interest rates, reduction of directed credit, commercial bank liberalization and supervision, control of corporate indebtedness and equity market development. The project will provide credit to cover the foreign exchange cost of industrial equipment imported by private firms seeking to acquire, build, modernize or replace productive assets. The median economic rate of return estimated for subprojects approved under the first Industrial Finance Project is 25 percent, and similar investment performance is expected under the proposed project.

Date Approved: June 6, 1985.

TRANSPORTATION: The Seoul-Busan Corridor Project will consist of: (a) investment in track signalling to increase capacity and in related rolling stock and equipment; and (b) technical assistance and training.

Borrower/Implementing Agency: Korea, Korean National Railways (KNR).

Terms: $67.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $178.3 million equivalent.

Purpose and Benefits: The project will make a direct contribution to the Government's overall plan for increasing transport capacity in the vital Seoul-Busan corridor, and also will give the Bank the opportunity to pursue the Bank's dialogue with the Government and KNR on the institutional strengthening of KNR; multi-modal transport planning; and the longer term investment program which is being planned for this major transport corridor. The project will also make a significant contribution to the safety of operations, provide increased capacity to the existing line, and postpone other, more costly, investments. The economic rate of return is estimated at 41 percent.

Date Approved: July 2, 1985.

WATER SUPPLY AND SEWERAGE: The Namgang and Taegu Water Supply Project consists of two water supply components; the Namgang Regional System (NRS), for 13 municipalities in the Kyeongnam Province and the Taegu Water System (TWS) for the city of Taegu. The project will improve water services to about 2 million persons and provide water to 520,000 additional persons by 1991. The NRS includes a water intake and about 80 kms of transmission pipelines with a capacity of 115,000 metric tons per day (tpd), a treatment plant with first stage capacity of 75,000 tpd, and storage reservoirs of 12,000 tons capacity. Complementary distribution networks in the two main project cities are being cofinanced by the Asian Development Bank (ADB). The TWS includes water intake and transmission facilities from the Nakdong river, a 400,000 tpd water treatment plant, about 80,000 ton capacity reservoirs, the expansion of distribution networks, the rehabilitation of existing networks and a study for improving the organization of water and sewerage services.

Borrower/Implementing Agency: Korea, Ministry of Construction, and Taequ City Water Bureau.

KOREA – Continued

Terms: $38.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $122.3 million equivalent.

Purpose and Benefits: The project will improve service, eliminate rationing, and reduce unaccounted-for water and operational expenses for the population already served in Taegu City and four municipalities in the NRS (about 2 million persons). Nine other municipalities will receive water for the first time. The project will provide water to 520,000 additional persons by 1991 and almost one million persons by 1996, with practically everyone in the main cities receiving good water service in terms of quantity, quality and reliability. Another benefit of the project has been the establishment of an integrated and more efficient system of treated water for the NRS, and cost reduction by design of project components for the revised demand. Tariff studies underway will analyze national tariff policies and levels for bulk water. Under the project the organization of water and sewerage services in Taegu City will also be reviewed. This could result in improved efficiency for both services, increased self-financing investments, and improved sanitation and environmental conditions. The economic rate of return for the project, based on existing tariffs and water benefits, including rise in values of benefitting properties, is estimated at 13 percent for the NRS and 18 percent for the TWS, with a weighted average of 16 percent.

Date Approved: August 27, 1985.

LESOTHO

HEALTH: The Health and Population Project aims to strengthen the organization and management of the Ministry of Health; improve the efficiency, effectiveness and coverage of health care and family planning services; and strengthen manpower development and training. It will provide technical assistance and equipment for strengthening the organization, financial and personnel management, information and communications systems in the Ministry of Health; provide buildings, equipment and facilities for improving and expanding the MCH/family planning services and TB control program; improve and expand local manufacture and distribution of drugs; and provide technical assistance, fellowships, buildings and facilities for manpower planning and staff training.

Borrowing/Implementing Agency: Lesotho, Ministry of Health.

Terms: $3.5 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $7.42 million equivalent.

Purpose and Benefits: Improvements in the pharmaceutical supply system, TB treatment program and provision of low-cost out-patient treatment facilities will result in savings of about M880,000 ($550,000) annually in the cost of providing health care services. The MCH/family planning component will lead to lower fertility levels and also morbidity and mortality rates among infants and mothers. The health financing study is expected to lead to improved cost-recovery in the Ministry of Health.

Date Approved: April 23, 1985.

LIBERIA

WATER SUPPLY AND SEWERAGE: The Second Water Supply Project will strengthen and improve the Liberia Water and Sewer Corporation's (LWSC) financial and operational performance. LWSC's accounting and financial systems would be revamped to improve financial management, while technical assistance and staff training would be provided to improve the efficiency of operations. Modest investments would be made in rehabilitation and maintenance of LWSC's assets to prevent their further deterioration. Construction of a storage reservoir and selective extension of the distribution system would also improve the quality and reliability of water supply in Monrovia.

Borrower/Implementing Agency: Liberia/Liberia Water and Sewer Corporation.

Terms: $5.0 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $12.0 million equivalent.

Purpose and Benefits: The principal benefit of the project will be improved water supply service in Monrovia. Improvements in LWSC's operating efficiency and financial performance would, over time, equip LWSC to undertake and operate future expansions to meet Monrovia's increasing water supply needs.

Date Approved: March 21, 1985.

ENERGY: The Second Petroleum Technical Assistance Project will consist of: (a) institutional support; (b) offshore exploration promotion; (c) onshore exploration promotion; and (d) petroleum procurement and storage technical assistance.

Borrower/Implementing Agency: Liberia, Ministry of Lands, Mines and Energy.

Terms: $2.6 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $3.4 million equivalent.

Purpose and Benefits: The project's main benefit to Liberia will be to enhance the capacity of the petroleum subsector to attract further private capital to undertake hydrocarbon exploration on acreage that is still free. The project will also assist the Government find the means of reducing the cost of petroleum products sold in Liberia.

Date Approved: April 11, 1985.

MADAGASCAR

AGRICULTURE, ENERGY, AND TRANSPORTATION: The Cyclone Rehabilitation Project will consist of: (a) rehabilitation of ports; (b) rehabilitation of airports; (c) rehabilitation of major roads; (d) repairs to schools and other public buildings, administrative offices and state owned housing; (e) rehabilitation of FIFABE installations and equipment damaged by the cyclone in Marovoay; (f) rehabilitation of damaged power facilities; (g) housing credit to private owners for the reconstruction of their houses damaged by the cyclone; and (h) consultant services, technical assistance, and urban planning, drainage study.

Borrower/Implementing Agency: Madagascar, National Coordination Committee (CNC).

Terms: $15.0 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $27.7 million equivalent.

Purpose and Benefits: The project will contribute to the physical and economic rehabilitation of the areas damaged by cyclone Kamisy, particularly by restoring essential facilities before the next cyclone season. It will also support institutional arrangements appropriate for efficient coordination of reconstruction efforts; and help develop measures to minimize the potential damage from natural disasters that could occur to these and other vulnerable areas of the country.

Date Approved: October 30, 1984.

INDUSTRY: The Industrial Assistance Project will consist of: (a) financing imports of spare parts and raw materials for selected efficient, private and public industrial enterprises; (b) financing equipment for the rehabilitation of a selected group of enterprises; and (c) technical assistance to the Ministry of Industry, Energy and Mining.

Borrower/Implementing Agency: Madagascar, National Bank for Industry (BNI), Ministry of Industry, Energy and Mining.

Terms: $40.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum.

Purpose and Benefits: The purpose of this credit will be to support important policy reforms designed to increase the efficiency and productivity of the industrial sector and to increase the capacity utilization of selected efficient industrial enterprises so as to enable them to produce incentive goods for the domestic market and to produce products for export.

Date Approved: January 15, 1985.

AGRICULTURE: The Irrigation Rehabilitation Project will consist of: (a) strengthening of existing institutions to select, organize and supervise the rehabilitation of priority irrigation schemes; (b) rehabilitation in the first phase (covering six years) of 16 medium irrigation schemes covering about 17,000 ha; and (c) rehabilitation of the large scale SAMANAGOKY cotton and rice scheme.

Borrower/Implementing Agency: Madagascar, Ministry of Agricultural Production and Agrarian Reform (MPARA).

Terms: $12.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $29.6 million equivalent.

Purpose and Benefits: The project will help develop a systematic approach to rehabilitation of medium size irrigation schemes, which comprise more than 140,000 ha of rice fields. It thus will constitute the first phase of a long-term program to rehabilitate approximately 116 such medium-size irrigation schemes. It will develop new institutions for local administration to assist the farmers to organize and finance the maintenance of the schemes rehabilitated after project completion.

Date Approved: April 30, 1985.

MALAWI

URBANIZATION: The Urban Project will consist of: (a) development of 2,230 plots and mortgage financing for 2,000 low-cost houses at a standard intermediate between the present high-cost permanent housing and the basic traditional structures; (b) development of 500 plots in traditional housing areas and building materials loans for 1,000 plotholders; and (c) institutional support and technical assistance for reviewing housing subsidies and wage policies; training of local contractors; land adjudication and registration; building by-laws legislation; and project implementation.

Borrower/Implementing Agency: Malawi, Malawi Housing Corporation.

Terms: $15.0 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $18.2 million equivalent.

Purpose and Benefits: The project will help reorient future housing development in Malawi toward a market-based system by almost tripling the availability of mortgage finance, introducing a new affordable standard of permanent housing, and restructuring key institutions to play a more dynamic role in land and housing development. The project seeks to enhance the housing sector's viability and financial independence by encouraging greater use of private funds for housing finance, reducing housing costs and standards, expanding the use of small contractors and self-help construction, and introducing full cost recovery for housing constructed under the project. Thus the project will give direct support to some of the essential objectives of Malawi's ongoing structural adjustment program, which aims in part to enhance cost recovery in the social sectors and improve the financial performance of public sector agencies. The project will also help the Government investigate ways of phasing out subsidies on the existing housing stock and reducing the linkage between housing benefits and total compensation policies. Parallel to these goals, the project will further expand and strengthen Malawi's successful program for low-cost traditional housing.

Date Approved: November 27, 1984.

AGRICULTURE: The Wood Industries Restructuring Project will consist of: (a) technical assistance to WICO to enable it to operate profitably as a private company, restructure its Mazamba and Dedza sawmills and rehabilitate its Zomba mill, purchase critical spares and equipment, establish training programs and carry out feasibility studies for new processing facilities, product development and quality control; and (b) technical assistance to the Government for developing alternative uses for forest resources, mainly the large Viphya Forest.

Borrower/Implementing Agency: Malawi; Wood Industries Corporation (Malawi) Ltd. (WICO).

Terms: $6.4 million equivalent IBRD loan. 20 years at the Bank's standard variable interest rate per annum. Total project cost: $8.6 million equivalent.

Purpose and Benefits: The project will substantially increase output from WICO's mills, improve product quality, and lead to more efficient use of forestry resources, which in turn will generate significant long-term returns to the economy. It will also identify additional economically viable investments for Malawi's extensive wood resources. The project faces no special risks, although realization of the expected benefits will depend mainly on the pace of managerial improvements. The incremental economic and before-tax financial rates of return for the project as a whole (including the technical assistance costs) are 25 percent and 23 percent, respectively. The after-tax financial rate of return is 15 percent.

Date Approved: January 15, 1985.

AGRICULTURE: The National Agricultural Research Project will consist of: (a) creation of an Agricultural Research Council to advise on priorities and to produce a Master Plan for agricultural research; (b) reduction of Department of Agricultural Research's (DAR) station network and improvement in physical facilities; (c) reorganization of DAR, and management and systems improvements; (d) staff development; (e) intensified collaboration with International and Regional Agricultural Research Centers and introduction of a contract research program; (f) establishment of adaptive research teams and research extension workshops; and (g) largely consequent on the scale-back in DAR's infrastructure, a reduction in running costs of ongoing activities, and reallocation of budgeting proceeds to sustain the proposed new activities. The project provides for civil works; equipment, furniture, vehicles; staff relocation; technical assistance and training; and operating costs.

Borrower/Implementing Agency: Malawi, Ministry of Agriculture, Department of Agricultural Research.

Terms: $23.8 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $49.9 million equivalent.

Purpose and Benefits: The ultimate beneficiaries of the project will be Malawi's smallholders through expected improvement to productivity and incomes, while enhancing the cost-effectiveness of Malawi's agricultural research program. The project faces no special risks, although timely realization of economies in the ongoing DAR program will depend on the pace of civil works construction and consequent consolidation of DAR's infrastructure. Long-term benefits depend chiefly on the Government's willingness, at a minimum, to sustain the real value of its current contribution to DAR's operating costs. Such assurances are being sought from the Government.

Date Approved: February 19, 1985.

AGRICULTURE: The Agricultural Extension and Planning Support Project will consist of: (a) strengthening MOA's Planning Division through technical assistance, training and logistical support and (b) strengthening Department of Agriculture's capacity to plan, implement and monitor the agricultural extension program by (i) supporting a substantial training program for extension staff and establishing a training unit in MOA, (ii) introducing a technical career stream and a promotion system for professional and technical staff, (iii) supporting and testing innovative approaches to agricultural extension and information transfer in Mzuzu agricultural development division including provision of incremental seasonal credit to smallholders in the Mzuzu area to encourage adoption of improved technical recommendations, (iv) strengthening the existing system of financial management, (v) supporting production of improved technical and training materials and (vi) improving extension and research linkages.

Borrower/Implementing Agency: Malawi, Ministry of Agriculture (MOA).

Terms: $11.6 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $20.2 million equivalent.

Purpose and Benefits: Although the benefits of this type of Project are difficult to quantify, the Project will result in improved efficiencies in agricultural productivity and production. The strengthening of the MOA at the Planning Division (PD) level will permit the PD to accomplish better its goals, namely: MOA budgeting, project identification and evaluation, sectoral analysis and advice, and statistical preparation. Improved research and extension linkages mean that MOA priorities will better reflect local concerns as well as national economic realities. The Mzuzu component and accompanying credit package (about 30 percent of disbursements) will have directly quantifiable benefits. This component has been calculated to have an internal economic rate of return of 22 percent. This results from increased production of maize, groundnuts, tobacco, cotton, wheat and rice, valued at import or export parity prices.

Date Approved: September 19, 1985.

MALAYSIA

INDUSTRY: The Small-Scale Enterprise Project will consist of: (a) technical assistance component; and (b) credit component.

Borrower/Implementing Agency: Malaysia, Bank Pembangunan Malaysia Bhd. (BPMD), Malaysian Industrial Development Finance Bhd. (MIDF), Small Enterprise Division (SED) of the Ministry of Trade and Industry, National Productivity Center (NPC), Malaysian Entrepreneurial Development Center (MDEC), Food Technology Division (FTD) of the Malaysian Agricultural Research and Development Authority, Forest Research Institute (FRI) and Standard and Industrial Research Institute of Malaysia (SIRIM).

Terms: $52.1 million equivalent IBRD loan. 15 years at the Bank's standard variable interest rate per annum. Total project cost: $104.1 million equivalent.

Purpose and Benefits: The project will aim to: improve, expand and rationalize the technical assistance programs for SSEs, and strengthen the institutions providing those programs; increase the supply of longer-term institutional credit; undertake a major institution-building effort for BPMB, and expand the SSE program of MIDF; and improve the coordination of financial and technical services.

Date Approved: October 16, 1984.

AGRICULTURE: The FELDA Palm Oil Mills Project will consist of FELDA's palm oil mill construction program which, under the responsibility of FELMILL, provides fruit processing services to FELDA's smallholder land settlement schemes. It will strengthen FELMILL's mill planning and operation and will assist in constructing seven palm oil mills with a total capacity of 351 ton-fresh fruit bunch of oil palm (FFB)/hour. The project will also support FELDA's ongoing efforts to strengthen its corporate and financial planning and accounting systems.

Borrower/Implementing Agency: Malaysia, Federal Land Development Authority (FELDA).

Terms: $31.2 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $62.1 million equivalent.

Purpose and Benefits: The project will provide services to about 52,600 ha of oil palm, for the benefit of over 13,000 settler families, and generate about 750 permanent employment positions. Palm oil and palm kernel production and exports from the project mills will generate about $113.9 million in foreign exchange earnings by 1991, in 1984 United States dollars. The project will support FELDA's ongoing effort to improve its corporate planning, budgeting, accounting and management information systems. Also, FELDA's and FELMILL's bearing the full cost of borrowing, including the foreign exchange risk, and FELDA's providing counterpart funds for mill construction, for the first time under the project, will support the Government's aim to make public commercial enterprises financially self-sufficient. Finally, the proposed loan will assist the Government to overcome the country's current balance of payments and fiscal constraints. The project financial rate of return is estimated at 14 percent and the economic rate of return (ERR) at 16 percent.

Date Approved: May 7, 1985.

AGRICULTURE: The Sabah Forestry Technical Assistance Project will consist of: (a) a 3,000 ha pilot plantation of fast-growing light hardwoods in the Bengkoka area, together with necessary infrastructure and management services; (b) an outgrower scheme on trial basis of about 500 ha to encourage private farmers to grow trees for sale as pulpwood; and (c) a research plantation. It will also provide consultancy services for: (a) studies to strengthen forestry research and development; (b) transportation studies to establish economic limits to siting of plantations with respect to market outlets; (c) marketing studies to assess the likely supply and demand for the forest products being contemplated; (d) studies of timber utilization and required processing facilities; and (e) an analysis of alternative fiscal incentives to encourage private sector participation in reforestation. Fellowships, totalling about 12 man-months for forestry staff will be provided to expose them to overseas operations of special relevance to the project.

Borrower/Implementing Agency: Malaysia, Sabah State Department of Development.

Terms: $6.5 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $13.1 million equivalent.

Purpose and Benefits: The project will serve to provide essential information: (a) on the technical and financial feasibility of large-scale plantation development in the Bengkoka area of Sabah State based on fast-growing species, and (b) for an optimum statewide forestry development program and policies. The project has to be considered within the context of Sabah State's declining natural forest resources and the likely impact of the decline on the country's economic development. If a satisfactory plantation program is not implemented, log availability across the natural forests will decline from the present level of about 8 million m^3 to less than 5 million m^3 by 1995. Urgent measures are needed to protect and manage the remaining areas of natural forest and to develop compensatory resources through establishment of plantations. The project will provide the Federal and Sabah State Governments with the necessary data for deciding upon the optimal management and development of Sabah's forest resources for commercial exploitation and for environmental protection.

Date Approved: May 21, 1985.

EDUCATION: The Second Industrial Training Project will assist the Government to complete the long-term investment program in technician and skilled worker training started under the first Industrial Training Project (Loan 2145-MA). It is designed to (a) increase the supply of technicians and skilled workers; (b) further improve the quality of training and strengthen management of training; and (c) improve manpower development planning.

Borrower/Implementing Agency: Malaysia, Ministry of Education; Ministry of Labor, Public Service Department.

Terms: $73.3 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $121.0 million equivalent.

Purpose and Benefits: The main benefits of the project will be: (a) an increased and improved geographic distribution in the training capacity and supply of suitably qualified technicians and skilled workers for industry; (b) improved management capacity of the polytechnics and the Industrial Training Institutes (ITIs); and (c) strengthened capacity for planning of human resource development. By 1991, the output from the three polytechnics will be about 2,100 technicians annually, representing about 33 percent of the total annual supply. The two ITIs will contribute about 1,300 to the total annual output of the ITI system of about 7,200 skilled workers, i.e., about 20 percent of that output. These increases will contribute substantially to alleviating one of the major constraints to the country's industrial development. The project will also increase and improve the regional opportunities for further education and training for secondary school leavers. The assistance to agencies responsible for manpower development planning in the public and private sectors will result in the availability of improved labor market and employment information as a basis for policy decisions relating to the utilization and supply of manpower.

Date Approved: July 2, 1985.

MALI

AGRICULTURE: The Mopti Area Development Project will consist of: (a) hydraulic works to improve control of flooding in rice-growing areas; (b) a credit facility for the purchase of farm equipment and inputs; (c) support to the training, extension and general operations of ORM; (d) a program of stockwater development; (e) an animal health program for ODEM; (f) a program of range and pasture management; (g) an adult literacy program for the project region; (h) a rural health care program; (i) regional studies and resource inventories for future development programs; and (j) support of rice seed adaptive research and quality control.

Borrower/Implementing Agency: Mali, Mopti Rice Operation (ORM), Livestock Development Operation, Mopti (ODEM), National Bank for Agricultural Development (BNDA).

Terms: $19.5 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $41.7 million equivalent.

Purpose and Benefits: The main quantifiable project benefits will be the increased production of paddy, cattle (mostly for export) and milk, compared with the "no-project situation". At full development, in 1992, the annual incremental production will be: 16,000MT of paddy (60 percent of normal local production) valued at CFAF 1,040 million; 6,000MT of rainfed cereals, valued at CFAF 300 million; about 26 million liters of milk for human consumption, valued at CFAF 2,000 million, and about 30,000 head of cattle annually, valued at CFAF 1,000 million. Crop production increases are to be achieved through greater water security, the use of animal traction, clean seed, and intensification techniques. These measures will be supported by the varietal and adaptive research component. Extension services for both livestock and crop production will be upgraded through training and increased cooperation between the services. The livestock components will improve animal health, herd productivity, weight gain and milk yields and reduce mortality. The overall ERR is estimated at 26 percent, based on 55 percent of project costs. The ERR remains about 10 percent with either a fall of 50 percent in benefits, or a rise of 100 percent in costs. The economic rate of return for the rice production component is 26 percent.

Date Approved: May 21, 1985.

TRANSPORTATION: The fifth Highway Project will consist of: (a) spare parts, fuel, construction materials, labor, and new equipment, (b) consultant services and civil works to carry out a road maintenance and rehabilitation program; (c) an institution strengthening program; and (d) reconstruction of the Bamako-Bougouni road.

Borrower/Implementing Agency: Mali, National Directorate of Public Works (DNTP).

Terms: $48.6 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $73.4 million equivalent.

Purpose and Benefits: The project will improve the efficiency of road maintenance and rehabilitation activities and, by reducing the cost of vehicle operation, will benefit road users and reduce the price of road transported goods. The project will also bring about institutional benefits which will have the effect of maintaining other benefits after project completion. The economic rate of return is estimated at over 12 percent for individual roads, over 50 percent for the road maintenance and rehabilitation program and 28 percent for the reconstruction of the Bamako-Bougouni road.

Date Approved: September 19, 1985.

MAURITANIA

INDUSTRY: The Public Enterprise Technical Assistance and Rehabilitation Project will consist of components aimed at: (a) creating a central agency within the Ministry of Planning to formulate policy, carry out reforms and coordinate programs affecting the public enterprise sector; (b) undertaking a series of special studies in the parastatal sector to propose new policy directions for government; (c) inititating diagnostic studies of other public enterprises for the next phase of the rehabilitation strategy; (d) rehabilitating the operation of two key public enterprises (SONELEC and EMN) by upgrading equipment, restoring capacity and providing technical assistance and training; and (e) assisting OPT with expertise and equipment in the area of financial management and further rehabilitation studies.

Borrower/Implementing Agency: Mauritania, Ministry of Planning, Societe Nationale d'Eau et d'Electricite (SONELEC); Establissement Maritime de Nouakchott (EMN); Office des Postes et Telecommunications (OPT).

Terms: $16.4 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $29.2 million equivalent.

Purpose and Benefits: The reform of sector management should lead to benefits to the public enterprise sector as a whole. The restructuring of the sector, by closing certain enterprises and the sale and reorganization of others, would lead to reduced Government subsidies and a smaller burden on public finances. Successful rehabilitation of these enterprises will provide an example to other enterprises with effects spreading throughout the sector. While the project is justified on its institutional objectives, tangible benefits will be realized through the rehabilitation of SONELEC and EMN. The average economic rate of return on the components for SONELEC and EMN, which account for 80 percent of total project costs, is estimated at 44 percent.

Date Approved: March 26, 1985.

INDUSTRY: The Mauritania Industrial and Artisan Development Project will consist of: (a) a line of credit to finance private small and medium enterprises through Mauritanian Bank for Development and Commerce (BMDC); (b) technical assistance to further strengthen BMDC's institutional capacity; (c) assistance to Mauritania Carpet Bureau (OTM) to train and equip 300 additional artisan carpet weavers and to provide them with technical advice and marketing assistance; (d) assistance to the Training and Professional Improvement Center (CFPP) to train accountants working for the corporate sector; (e) assistance to the Ministry of Industry to carry out a review of the industrial sector relating to both policy and institutional issues.

Borrower/Implementing Agency: Mauritania, Mauritanian Bank for Development and Commerce (BMDC).

Terms: $5.25 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $11.18 million equivalent.

Purpose and Benefits: The benefits of the project will be: (a) at the enterprise level to help create or expand about 20 small- and medium-scale enterprises which will employ about 750 additional workers and to create about 50 carpet weaving workshops for 300 additional artisans; and (b) at the institutional level to further strengthen BMDC as a financial intermediary for industrial financing and to build up OTM's capability to develop and support artisan carpet weaving as well as to improve the accounting standards of the corporate sector. In addition, the project will assist the Government in carrying out a review of the policies and institutional set-up affecting the industrial sector.

Date Approved: March 26, 1985.

AGRICULTURE: The Mauritania Small Scale Irrigation Project will provide for the construction and initial operation of 75 small irrigation perimeters of 20-25 ha, totaling 1,600 ha, in the upstream zone of the Mauritanian bank of the Senegal River. It will provide: (a) pumping sets; (b) farming inputs; (c) services of eight Mauritanian professionals to provide agricultural extension, and pump maintenance and repair service; (d) housing and working facilities for these professionals; (e) service of two expatriate technical assistants to assist SONADER in supervising construction of the perimeters; and (f) vehicles and topographic/office equipment to strengthen SONADER's regional offices responsible for these perimeters. A special account will be established under the project to expedite disbursement.

Borrower/Implementing Agency: Mauritania; SONADER, The National Rural Development Agency.

Terms: $7.5 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $11.2 million equivalent.

Purpose and Benefits: The project will be the next step in IDA's continuing program of support for irrigation in Mauritania. The project will be part of SONADER's ongoing program of development of small scale irrigation, to which IDA has contributed twice through a subproject of the drought Relief Fund Project (FY73) and a subproject of the Urban and Rural Development Fund (FY77). The key features of small scale irrigation are the participation of the beneficiaries in the construction, operation and maintenance of their perimeters will be of at least 20 ha, in order to permit an adequate spread of fixed costs; and changes in current practices will be made to obtain increased cost recovery in order to permit more financial autonomy for the small perimeters. The project will also bring about a significant contribution to food production.

Date Approved: March 26, 1985.

MEXICO

TRANSPORTATION: The Chiapas Rural Roads Project will consist of: (a) construction of about 1,000 km of rural roads; (b) rehabilitation and improvement of about 2,000 km of existing rural roads; and (c) consulting services and related technical support to carry out detailed engineering and upgrade the administrative and implementation capabilities of the executing agency.

Borrower/Implementing Agency: Nacional Financiera, S.A. (NAFINSA), Secretariat of Communications and Transport (SCT).

Terms: $22.0 million equivalent IBRD Loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $41.7 million equivalent.

Purpose and Benefits: The selected roads will provide the necessary integration of the State of Chiapas, reduce transport bottlenecks and costs between complementary regions of the lowlands coast, the central plateau and valleys of the Selva, while providing access to heretofore inaccessible areas of the State with good development potential. Where appropriate, the project will promote the use of labor-based construction techniques to offer increased employment opportunities for unemployed and underemployed local residents. The areas affected will be predominantly small farm communities for which agriculture is the main source of income. A significant proportion of the beneficiaries are expected to be from the State's large, ethnically distinct indigenous population. The initial year's program will serve about 40,000 people. The benefits will be realized through increased agricultural production. In addition, local residents will benefit through improved access to employment opportunities elsewhere in the state and better access to, and delivery of, social services.

Date Approved: April 30, 1985.

AGRICULTURE: The Chiapas Agricultural Development Project will consist of: (a) construction of flood control and road works; (b) strengthening of administration; (c) carrying out on-farm development works; (d) provision of soil conservation structures; (e) strengthening of production support services; and (f) preparation of studies.

Borrower/Implementing Agency: Nacional Financiera, S.A. (NAFINSA), Secretariat of Agriculture and Water Resources (SARH).

Terms: $90.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $181.6 million equivalent.

Purpose and Benefits: The project will aim at bringing new land into rainfed crop production and intensifying crop and livestock production on existing land, increasing agricultural production and productivity, and generating rural employment and income. The project will largely focus on "ejidos" and smallholders, directly benefitting about 32,000 rural families and providing full-time employment for about 15,000 people. The economic rate of return is estimated at 19 percent.

Date Approved: April 30, 1985.

INDUSTRY: The Second Small- and Medium-Scale Mining Development Project will consist of evaluative exploration, mine development and exploitation; strengthen the capabilities of the major institutions supporting Small- and Medium-Scale Mining Enterprises (SMMs); and improve coordination within the SMM sector. Commercial bank lending to SMMs will be encouraged under the project, which will help build up the second-tier credit operations of two key sector agencies – Comision de Fomento Minero (CFM, Mining Development Commission) and Fideicomiso de Minerales no Metalicos Mexicanos (FNM, Trust Fund for Non-Metallic Minerals).

Borrower/Implementing Agency: Mexico, Programa Especial Complementario de Apoyo a la Pequena y Mediana Mineria (PECAM), Comision de Fomento Minero (CFM), Fideicomiso de Minerales (FNM) and Comision de Recursos Minerales (CRM).

Terms: $105.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $210.0 million equivalent.

Purpose and Benefits: The project will have a strong impact on Mexico's SMM sector. Credit and services provided through the project will help some 200 SMM enterprises across the country, generating an incremental output valued at $100.0 million dollars per year, 40 percent of which is expected to be in foreign exchange. Since it takes about 20,000 dollars of investment to create a new job in the SMM sector, the investment outlays will create 5,000-6,000 permanent jobs, mainly among low-income groups, including some in the least developed regions. The rate of return test – which is mandatory in the Operating Guidelines to be followed under the project – will ensure that the project's development impact materializes. In addition, the project will have a strong institution-building effect, and it will encourage commercial bank lending to SMMs in Mexico.

Date Approved: May 21, 1985.

EDUCATION: The Second Technical Training Project will consist of: (a) technical assistance; (b) the creation of 24 cost-recovery, pilot "production units"; and (c) the development of about 97 technical training centers, with an additional enrollment capacity of 90,000 students in training and upgrading programs.

Borrower/Implementing Agency: Nacional Financiera, S.A. (NAFINSA), National Agency for Professional Technical Education (CONALEP).

Terms: $81.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $162.2 million equivalent.

Purpose and Benefits: The project's objectives will be: (a) to improve CONALEP's operational efficiency and effectiveness; (b) to increase the supply of skilled workers and technicians; (c) to improve the quality of training, instructor training, and materials cost-recovery efforts; (d) to develop advanced maintenance systems for buildings and equipment; and (e) to provide flexible support for the program as a whole.

Date Approved: May 28, 1985.

TRANSPORTATION: The Mexico Railway Sector Project will provide for investment, operational, and financial improvements to the Mexican railways system during the period 1985-1988. Investment items supported by the loan will cover both the SCT and N de M investment programs for the period, and include: (a) acquisition of rails, track machinery, workshop equipment, locomotive spare parts, and freight wagon and passenger coach components; (b) major construction and realignment of rail lines; (c) consultant services; and (d) training equipment and scholarships.

Borrower/Implementing Agency: Banco Nacional de Obras y Servicios Publicos, S.A. (BANOBRAS)/Secretaria de Comunicaciones y Transportes (SCT), Ferrocarriles Nacionales de Mexico (N de M).

Terms: $300.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $2,354.4 million equivalent.

Purpose and Benefits: The railways in Mexico have an important role to play in the country's economic recovery. The railways carry between 30 percent and 50 percent of all grains, and are principal transporters of iron ore, coke, coal, sugar, fertilizers, cement and many steel products. Because of earlier cutbacks in investments, the railway subsector has to focus on rehabilitation and maintenance of tracks; the rehabilitation and replacement of locomotives and rolling stock; and the acquisition of wagons and passenger coaches, to meet reviving demand for railway traffic and to improve service levels. The project will help relieve these bottlenecks, and at the same time, will help improve N de M's efficiency of operations and financial performance. Economic rate of return have been calculated for N de M's investment program covering track rehabilitation works, the acquisition of signalling equipment, and the acquisition and rehabilitation of locomotives, wagons and passenger coaches. The items evaluated account for about 87 percent of its 1985 investment budget, with rates of return ranging from 18 percent to 74 percent. SCT's infrastructure works will focus on ongoing as well as new investments, with rates of return varying between 16 percent and 56 percent, thus confirming the feasibility of most investments.

Date Approved: June 11, 1985.

AGRICULTURE: The Agricultural Credit Project will consist of investment credit to farmers for crops, livestock, and agroindustries.

Borrower/Implementing Agency: Nacional Financiera, S.A. (NAFINSA), Agricultural Trust Funds in the Bank of Mexico (FIRA).

Terms: $180.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $473.0 million equivalent.

Purpose and Benefits: The objectives of the interim project will be to: (a) raise agricultural productivity with a view to increasing food production, agricultural exports, and real farm income; and (b) improve agricultural sector policies by reducing interest rate subsidies and restricting them to special target groups. The economic rates of return are estimated at 18-35 percent for the subloan investments.

Date Approved: July 23, 1985.

URBANIZATION: The Low Income Housing Project will consist of: (a) financing construction of serviced sites and progressive construction units in rapidly growing medium size cities; (b) credit to be onlent by FONHAPO to sub-borrrowers who will implement sub-projects, participate in their financing, provide collateral guarantees and allocate constructed facilities to eligible beneficiaries; and (c) technical assistance.

Borrower/Implementing Agency: Banco Nacional de Obras y Servicios Publicos, S.A. (BANOBRAS), Fideicomiso Fondo Nacional de Habitaticiones Populares (FONHAPO).

Terms: $150.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $300.0 million equivalent.

Purpose and Benefits: The objectives of the project will be: (a) to increase the supply of public housing investment provided to the poorest and largest segment of the housing market; (b) to strengthen FONHAPO during a critical expansionary phase; and (c) to support the Government in addressing sector issues. The economic rate of return is estimated at 20 percent for the sites and services component and 16 percent for the progressive construction component.

Date Approved: August 27, 1985.

MOROCCO

EDUCATION: The Vocational Training Project will consist of: (a) construction, furnishing, and equipping of 22 new Vocational Training Center (VTCs) throughout the country as part of the Office skill training network; (b) equipment and technical assistance for the new Instructor Training Center for the Office in Casablanca, which is nearing completion; (c) five new mobile training units for the Office; (d) studies to: improve training coordination; formulate policy recommendations to ensure long-term financial viability of training; evolve a strategy for encouraging apprenticeship training; develop small business management training; and prepare future vocational training project components; and support for the development of a national training program in project preparation and selection for Government officials.

Borrower/Implementing Agency: Morocco, Office of Professional Training and the Promotion of Work.

Terms: $27.1 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $44.1 million equivalent.

Purpose and Benefits: The project will focus on the key sector issues by (a) assisting the Government in expanding and improving vocational training capacity to meet the country's needs for skilled manpower; (b) improving vocational training coordination; (c) assessing policy options to assure the financial viability of vocational training; and (d) helping to develop a strategy and programs for the future expansion of middle and lower-level training. In addition, the project will also help improve project selection and preparation in the public sector. The project focuses on lower and middle level skill training for the private sector. It will constitute a first phase in the expansion of such training, which has remained very limited in relation to national demand; the project will also help evolve approaches to address major sector issues in vocational training, to lay the base for sound and planned expansion in the future. The project is fully in keeping with the Government's policy of strengthening the links between education and training and the job market, and will support the planned expansion of industrial output. The project will provide important benefits to employers in the form of improved worker productivity; it will also generate significant benefits to trainees.

Date Approved: November 27, 1984.

INDUSTRY: The Electrical and Mechanical Industries Project will consist of: (a) a line of credit of $22 million to be on-lent by participating commercial banks to finance about 40 eligible Electrical and Mechanical Industries' (EMI) sub-projects; and (b) a subsidiary loan of Office of Industrial Development (ODI) of $3 million, comprising $2.8 million for financing minority equity participations by ODI in eligible EMI enterprises, and $200,000 to improve ODI's market analysis capability in the EMI area through sub-sectoral studies.

Borrower/Implementing Agency: Morocco, Ministry of Finance.

Terms: $25.1 million equivalent IBRD loan. 17 years at the Bank's standard variable interest rate per annum. Total project cost: $43.0 million equivalent.

Purpose and Benefits: The project will provide direct support to the Government's policy of deepening the industrial base of the Moroccan economy, and alleviating pressure on the balance of payments through effective substitution and increased exports of EMI products. For effective development of EMIs, adequate medium- and long-term financing is a pre-requisite. Such financing has so far been relatively limited, both because of the greater complexity of EMI projects, and distortions in the financial sector which discouraged commercial banks from undertaking such financing. While these distortions are expected to be addressed through appropriate reforms, the project will represent a coordinated effort to meet the demonstrated financing needs of the priority area of EMIs, and strengthen the capability of the main intermediaries. About 40 EMI subprojects will be financed under the project in 1985-87, with a total investment cost of about $43 million (equal to about 57 percent of non-SSI private investment in EMIs in this period), creating about 1,500 jobs at an average investment cost of $30,000 (in 1983 prices). The project will encourage commercial banks to be more active in term financing of industry, and help strengthen their capability for market and economic analysis. At the same time, it will strengthen ODI in its role of industrial promotion in the EMI area, improve its capability for market analysis, and strengthen the institutional framework within which it operates.

Date Approved: January 15, 1985.

INDUSTRY/MINING: The Jerada Coal Mining Project will consist of: a) a drilling program to prepare underground development work and shaft sinking; b) underground development work to prepare future mining areas and to simplify existing mining areas; c) sinking of an additional vertical shaft to maintain production capacity after completion of the project and depletion of CdM's smaller mines; d) installation of underground and surface equipment to increase efficiency, production capacity and to improve safety and health; and e) technical assistance to CdM.

Borrower/Implementing Agency: Morocco, Charbonnages du Maroc (CdM).

Terms: $27.0 million equivalent IBRD loan. 15 years at the Bank's standard variable interest per annum. Total project cost: $74.0 million equivalent.

Purpose and Benefits: While, as in most projects of this type, geological, technical, and economic risks do exist, these have been minimized here by: designing an exploration program that would remove the uncertainties related to reserves and to difficult geological conditions; designing a technical assistance program that will ensure production build-up by reinforcing CdM's organizational experience and strength with mechanized coal winning; and ensuring CdM's financial viability and Jerada coal's long-term competitiveness by providing adequate markets and coal pricing policies. The main benefits of the project include: foreign exchange savings and earnings impacting positively on the country's balance of payments; a strengthening of the organizational and financial health of CdM; securing and expanding employment opportunities for the local populations of Jerada and Oujda; and improving safety and health conditions in the mine. The economic rate of return is estimated to be 36 percent.

Date Approved: March 21, 1985.

HEALTH: The Health Development Project will consist of: (a) deployment of a primary health care and family planning system in the provinces of Agadir, Settat, and Taroudant; (b) improvement of overall health planning, management, and evaluation systems; (c) reinforcement of the Ministry of Public Health (MOPH's) capacity to train paramedical personnel and to provide and disseminate effective materials; and (d) establishment of a coordinated basic drug supply system.

Borrower/Implementing Agency: Morocco, Ministry of Public Health.

Terms: $28.4 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $47.6 million equivalent.

Purpose and Benefits: The overall objective of the project is to assist the Ministry of Public Health (MOPH) in shifting emphasis away from an urban-based, hospital-oriented health system benefitting a limited segment of the population, towards a more cost-effective system of primary care emphasizing outreach activities in rural areas. The project will deploy a new primary health care (PHC) delivery system including family planning in three provinces and strengthen the MOPH in order to permit the eventual replication of the PHC system throughout the country. The project will bring direct benefits to 10 percent of the Moroccan population, of which a sizable proportion is estimated to be below the absolute poverty level. Improvements in family planning, health, and nutrition services, and information, education, and communication (IEC) programs in the project areas are expected to increase the contraceptive prevalence rate from 24 percent to 37 percent in 1992 and consequently reduce total fertility rate from 5.8 to 4.6 in 1992 and the crude birth rate from 40 per 1000 in 1985 to about 30 per 1000 in 1992; improve the health of mothers, infants, and children and thereby restore confidence in rural medical services; and reduce child malnutrition. In the longer-term, testing of the new PHC system under the project will eventually benefit the entire Moroccan population by providing a basis for the establishment of a more cost-effective country-wide PHC system.

Date Approved: June 6, 1985.

NON-PROJECT: The Second Industrial and Trade Policy Adjustment Project will consist of measures aimed at structural reform in three main areas: (a) continued export promotion and import liberalization, consisting of greater simplification of export procedures, tariff reduction, and further trade liberalization in conjunction with continued flexible exchange rate policy; (b) rationalization of the public investment program and of public enterprise finances; and (c) financial sector reform to raise interest rates, restructure the administrative framework, reduce direct Government intervention, increase competition among financial institutions, eliminate interest subsidies, and develop the money market.

Borrower/Implementing Agency: Morocco, Ministry of Finance and Bank of Morocco.

WORLD BANK—Continued

MOROCCO–Continued

Terms: $200.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $200.0 million equivalent.

Purpose and Benefits: The principal aims of the program are to improve the efficiency of resource allocation and utilization in the economy, achieve structural changes in the incentives system, and realize the potential for export development and promotion of public and private savings. The foreign exchange provided by the loan will be used to finance imports. The main benefits of the program will be improved allocation and efficiency of investment, increased national production, growth of savings, and an improvement in the balance of payments through increased exports and a reduced current account deficit.

Date Approved: June 16, 1985.

AGRICULTURE: The Morocco Agricultural Sector Adjustment Loan will support the first phase of the implementation of the Government's program of adjustments in the agricultural sector. The principal objectives of the sector adjustment program are to improve the growth rate in agriculture within the overall constraints in public resources. To achieve this objective, actions have been taken and others will be implemented in the following 18 months, to (a) complete a restructuring of the investment program; (b) reorient the prices and incentives framework; (c) strengthen agricultural support services including rationalizing the role of the private sector; and (d) build institutional capacity for agricultural planning and policy analysis. The foreign exchange provided by the loan will be used to finance an agreed program of imports of inputs needed for stimulating agricultural production, including fertilizers, pesticides, seeds, animal feed, fuel, agricultural machinery and spare parts and veterinary medicines.

Borrower/Implementing Agency: Morocco, Ministry of Agriculture (MARA).

Terms: $100.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum.

Purpose and Benefits: The medium-term adjustment measures considered with this loan should have a favorable impact at the macro-economic and sectoral levels. At the macro level, the resource mobilization and subsidy reduction measures will translate into substantial public savings, and a positive impact on the balance of payments can be expected from the reduction of present pricing distortions in the sector through shifts in cropping patterns towards export crops, supported by parallel steps in trade liberalization and exchange rate adjustments. At the sectoral level, adjustments in relative protection patterns between irrigated and rainfed farming should be achieved as a result of the reorientation of price policy and strengthening of the floor price support program for cereals. Positive structural effects with a longer-term production impact can also be expected through the strengthening of essential private and public support services and the proposed policy orientations for the rainfed sector.

Date Approved: June 20, 1985.

MOZAMBIQUE

AGRICULTURE/INDUSTRY/TRANSPORTATION: The Rehabilitation Program will consist of: (a) financing of imports of equipment, spare parts, and raw materials for the industry, transport, and agriculture sectors; and (b) technical assistance.

Borrower/Implementing Agency: Mozambique, Ministries of Agriculture; Industry and Energy; Construction and Water; Ports, Railways, and Merchant Marine; and the State Secretariats of Road Transport and Light Industry, under the coordination of the Bank of Mozambique.

Terms: $45.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $45.0 million equivalent.

Purpose and Benefits: The credit will support the Government's initial steps towards economic recovery and provide a basis, along with the Economic Report and Government/IMF discussions, for a dialogue on macroeconomic and sectoral policy issues upon which future Bank operations in Mozambique would be based. The credit will help the Government carry out sectoral studies and will also help to strengthen the institutions responsible for foreign trade. The project will lead to increased output of consumer, intermediate and export goods through increased capacity utilization and physical output of participating firms. The improvéd supply of basic consumer goods will, in turn, provide a greater incentive to farmers to produce marketable surpluses. In transport the project will help to end further deterioration in transport capacity and result in increased distribution of goods to and from rural areas.

Date Approved: June 18, 1985.

NEPAL

AGRICULTURE: The Agricultural Manpower Development Project will consist of: (a) reforms in the training system, structure, and curriculum to make it more relevant to the duties and responsibilities of agricultural extension workers and technicians; (b) establishing a teacher training program; and (c) improving training management. The project will also assist in strengthening higher level agricultural training at the Institute of Agriculture and Animal Sciences by establishing a degree program (BS) in animal science and upgrading the existing academic, research, and extension programs of the Institute.

Borrower/Implementing Agency: Nepal, Institute of Agriculture and Animal Sciences (IAAS).

Terms: $8.4 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $14.3 million equivalent.

Purpose and Benefits: The project is designed to assist Nepal in: (a) improving the quality and relevance of middle level agricultural (crop and livestock) pre-service training; and (b) strengthening higher level agricultural pre-service training at IAAS by establishing a BS degree training program in animal sciences, upgrading the existing academic, research and extension programs, and correcting the deficiencies in space requirements and instructional facilities of the Institute. The main benefit from the project is that it will help ensure adequate quality and supply of agricultural manpower in Nepal within the next decade, which will contribute directly to raising agricultural productivity. At the middle level, the project will support institutional reforms in the system, structure, and content of training to make it terminal, practical, and focussed on the skill requirements of field extension workers and agricultural technicians. At the higher level, the project will fill the gap in the agricultural training system by establishing a training program at IAAS for livestock specialists and will break the Government's complete reliance on foreign universities and external assistance for such training. The project will also upgrade and expand on-going training, research, and extension programs of the Institute by providing the required facilties and support.

Date Approved: December 13, 1984.

INDUSTRY: The Industrial Development Project will consist of: (a) a line of credit to NIDC to finance industrial investment projects; (b) technical assistance and training to NIDC in strengthening operational standards and procedures, particularly in project implementation and supervision and management information; (c) consultancy and advisory services to improve formulation and implementation of industrial and export incentives, tourism promotion, and efficiency and quality of leather goods production and to assist in formulating a development program for the light engineering subsector; and (d) foreign exchange funds to establish an Import/Export Facility for export oriented enterprises.

Borrower/Implementing Agency: Nepal, Nepal Industrial Development Corporation (NIDC).

Terms: $7.5 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $12.0 million equivalent.

Purpose and Benefits: The project is designed to promote private industrial investment and assist in generating foreign exchange earnings. The project will make financing available for an integrated leather development program which will help improve efficiency and quality of output at each processing stage, expand hide and skin collection capacity and enhance value added in this important export sub-sector. Under the project, work will be initiated to develop investment opportunities in the light engineering subsector, which could be pursued in a subsequent project. Technical assistance will be provided in implementing Nepal's industrial and export incentive schemes and in strengthening promotion of tourism. In addition, the project will support existing export industries by providing funds to establish an Import/Export Facility in the Nepal Rastra Bank (NRB). The IDP is expected to result in additional investments and improved efficiency in industrial enterprises in Nepal. Direct benefits of the lending components are expected to result in about Rs 160 million in incremental productive investments in about 40 enterprises; roughly 2,300 additional jobs will be created at a fixed cost per job averaging $4,000. The Import/Export Facility expects to generate exports in convertible foreign exchange of about $10.0 million annually, equivalent to about 30 percent of total merchandise exports in 1981/82.

Date Approved: December 13, 1984.

AGRICULTURE: The Agricultural Extension II Project will consist of the second phase of an IDA-supported introduction of the Training and Visit (T&V) extension system in Nepal. This phase will reorganize and strengthen agricultural extension services in 11 administrative districts in the Terai with the objective of achieving early and sustainable improvement in agricultural productivity. The project will establish a T&V extension infrastructure to promote the adoption of low-cost and labor-intensive agricultural practices, and sound irrigation water management, thus facilitating better cropping patterns, greater crop diversification and more efficient fertilizer and water usage. The project will also provide for training of staff and monitoring and evaluation of project activities.

Borrower/Implementing Agency: Nepal, Ministry of Agriculture.

Terms: $7.2 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $8.5 million equivalent.

Purpose and Benefits: The project will directly benefit about 490,000 farm families. Attributing a precise level of benefits to this type of project is difficult since it is not possible to determine what proportion of benefits are due to extension alone and what are due to additional purchased inputs and other factors. In practice, it is the combination of a number of factors, with extension playing the role of a catalyst, the brings the desired benefits. It is also difficult to estimate acceptance rates of recommended practices. However, since the project relies primarily on reorganization and strengthening of an existing extension structure, the incremental cost is low per hectare and per farm family. Hence, even very small production increases in the project areas will generate a high rate of return. The project will generate a 50 percent rate of return if, by 1992, yields of paddy (628,000 ha), maize (90,000 ha), wheat (195,000 ha), pulses (57,000 ha) and oilseeds (67,000 ha) and which cover about 80 percent of cropped land, increase by only 52 kg/ha, 47 kg/ha, 26 kg/ha, 17kg/ha and 17 kg/ha, respectively, over at least 50 percent of cropped land, and which requires an increase of 2.76 percent over current yield levels of all five crops.

Date Approved: March 26, 1985.

TELECOMMUNICATIONS: The Nepal Fourth Telecommunications Project includes: (a) provision of management consultants, technical assistance and training fellowships, (b) installation of (1) about 35,000 lines of local switching equipment with associated cable distribution network and subscriber plant to connect about 31,000 new subscribers and replace 1,370 lines of all remaining manual exchanges, (2) about 2,500 additional circuit terminations in national/international trunk exchange, (3) about 550 local and long distance public call offices in urban areas and 200 long distance connections and public call offices in about 90 rural areas, (4) about 75 transmission systems in the long distance network, and (5) equipment for expansion of existing earth station and telex exchange; (c) provision of air conditioning and power equipment for telecommunications buildings, vehicles, computer equipment, teleprinters, office aids and training equipment, and (d) civil works for cable ducts, cable networks and building for telecommunications equipment and offices.

Borrower/Implementing Agency: Nepal, Nepal Telecommunications Corporation (NTC).

Terms: $22.0 million equivalent IDA credit; 50 years with 0.75 percent service charge per annum. Total project cost: $65.3 million equivalent.

Purpose and Benefits: The project is designed to strengthen Nepal Telecommunications Corporation (NTC) as an institution and comprises a balanced package of high priority works to expand local telephone facilities in Kathmandu and other urban areas, provide telephone services for the first time to about 90 rural communities, expand facilities to cater to resultant additional domestic long distance and international telephone traffic, expand domestic and international telex facilities and extend service to towns other than Kathmandu. In addition to serving to needs of economic production and distribution activities in both urban and rural areas, the project will also result in a substantial net cash flow from NTC to government for use in other sectors less capable of mobilizing domestic resources. The economic rate of return of the project is 17 percent.

Date Approved: April 30, 1985.

NIGER

AGRICULTURE: The Irrigation Rehabilitation Project will consist of: (a) rehabilitation of irrigation infrastructure and equipment; (b) crop intensification; (c) assistance to cooperatives; (d) adaptive research and seed multiplication; (e) strengthening of ONAHA; and (f) strengthening of RINI.

Borrower/Implementing Agency: Niger, National Irrigation Authority (ONAHA), Irrigation Cooperatives through ONAHA.

Terms: $9.3 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $25.2 million equivalent.

Purpose and Benefits: The project's main benefits will derive from: (a) incremental production of paddy, cotton, sorghum and onions on areas to be brought back into production and increased yield and cropping intensities; and (b) savings on operating and maintenance costs by substituting electric pumps for diesel ones. The economic rate of return is estimated at 18 percent.

Date Approved: June 25, 1985.

NIGERIA

TECHNICAL ASSISTANCE: The Technical Assistance Project will consist of a five year program of technical assistance to the Federal Ministry of Finance, the Federal Ministry of National Planning (FNMP) and the Federal Office of Statistics. Consultant services and data processing equipment will be furnished to strengthen the management information system upon which economic decision-making is based.

Borrower/Implementing Agency: Nigeria, Federal Ministry of Finance.

Terms: $13.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost $17.0 million equivalent.

Purpose and Benefits: The project will strengthen the basis of economic decision-making by helping the Government to improve the quality and reliability of its management information system. To this end, the statistical system will be upgraded and methods introduced to monitor the progress of public sector activities, particularly in the fields of plan implementation and external debt management. Training will be furnished to strengthen management and technical skills in related areas. The project, by improving the Government's information system, will strengthen the basis for economic decision-making in Nigeria. The quality of the statistical data base will be improved, as will the monitoring and consequently, the management of external debt and plan implementation. In addition, the FMNP's ability to prepare the next and future plans will be strengthened with the help of consultants and training for planners.

Date Approved: December 20, 1984.

HEALTH: The Nigeria Sokoto Health Project will consist of the construction, equipping, and staffing of about 60 health clinics; the upgrading of 120 dispensaries; the provision of vaccines and equipment for the immunization program; and the establishment of an adequate training and supervision program at the state level. At the federal level, it will provide for equipment, technical assistance, and training.

Borrower/Implementing Agency: Nigeria, Federal and Sakoto Health Ministries.

Terms: $34.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $53.0 million equivalent.

Purpose and Benefits: This project will expand the health network, provide reasonable access to modern health services for the first time to an estimated population of about 700,000 rural inhabitants and raise population coverage of the health system from about 65 to 80 percent of the total rural population. Through improved Maternal and Child Health (MCH) services and through training and deployment of some 300 female health workers and 600 traditional birth attendants, about 450,000 mothers and children under 5 will benefit from basic MCH, family planning, and community health services. The expansion of the immunization program will protect about 50 percent of children in Sokoto State against childhood diseases. Since death of children below 5 years of age account for about 50 percent of all death, project impact on infant and child mortality is expected to be substantial. Strengthening the supervision and in-service training programs under the project is expected to generate significant benefits through improved quality and increase efficiency of care delivered at all primary level facilities.

Date Approved: March 14, 1985.

WATER SUPPLY AND SEWERAGE: The Borno State Water Supply Project will consist of: (a) a plant for the treatment of raw water from the Alau dam and reservoir; (b) pumping and storage facilities; (c) transmission mains and an improved distribution system; (d) headquarters building and workshops; (e) generators, drilling rigs, and vehicles; (f) technical assistance for financial management and accounting, project implementation and plant operation, management improvement and training; and (g) studies of sanitation in Maiduguri and tariffs for the State.

Borrower/Implementing Agency: Nigeria, Borno State Water Board (BSWB).

Terms: $72.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $115.0 million equivalent.

Purpose and Benefits: The objectives of the project are to provide adequate and reliable supplies of safe drinking water to people in Maiduguri by supplementing current supplies with water from the Alau reservoir and by improving existing services; to strengthen the technical, financial, and management capabilities of BSWB; and to establish the basis for an effective sanitation system in Maiduguri. The basic water needs of the low-income consumers will be given special attention in this project. The project should have important nonquantified public health benefits. The estimated economic rate of return is six percent, not counting exteralities and unquantified benefits.

Dote Approved: May 7, 1985.

URBANIZATION: The Second Urban Development Project will seek to extend the experience of the first Urban project in Bauchi State by providing affordable shelter, infrastructure and related urban services to low income households in Imo State. The project would also enhance the planning and project implementation capabilities of key institutions at the federal and state levels so as to strengthen the basis for a more extensive program of urban development. In this context funds would be provided to the Project Development Department of the

Federal Mortgage Bank of Nigeria for studies and consulting services, and technical assistance and equipment would be provided to state and local authorities participating in the project. Serviced housing sites would be developed in the three principal towns and low income residential areas would be upgraded. Sites would also be provided for small scale enterprises to generate employment. Low income families would be given access to construction loans and supporting social facilities would be constructed in the project areas.

Borrower/Implementing Agency: Nigeria/Federal Mortgage Bank of Nigeria (FMBN), Imo State Ministry of Works and Transport (MWT).

Terms: $53.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $85.0 million equivalent.

Purpose and Benefits: The overall economic rate of return for the serviced sites and upgrading components of the project is estimated at approximately 27 percent. Most of the project beneficiaries would be drawn from the lowest income groups. Some 80 percent of project beneficiaries would be families below the estimated relative urban poverty threshold of $700 per capita and some 70 percent of total project expenditures excluding technical assistance would be targeted at this income group. By raising significantly the living conditions of these families, the proposed project would have a substantial poverty impact.

Date Approved: July 23, 1985.

INDUSTRY: The Industry Technical Assistance Project will consist of: (a) the provision of expert advisory services to a Policy Analysis Unit, and an Industrial Policy, Planning, and Promotion Team within FMCI's Policy Analysis Department (PAD); (b) in-service and overseas training and orientation visits for staff of the PAD, FMCI, and other concerned Government agencies, and provision of computer equipment and services facilities for PAD; and (c) consultant services for selected industrial policy and project studies aimed at restructuring the incentives system, stimulating investment and growth in private industry and improving the efficiency of public sector investments.

Borrower/Implementing Agency: Nigeria, Federal Ministry of Commerce and Industry (FMCI).

Terms: $5.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $8.6 million equivalent.

Purpose and Benefits: The principal benefits of the project will be the formulation of a phased medium-term program of industrial policy reforms to help accomplish the goals of restructuring and growth in the industrial sector overall and the private sector in particular, and the strengthening of the institutional framework for industrial policy making, ensuring better coordination and increased effectiveness in implementation of the Government's strategy for development of the industrial sector.

Date Approved: September 10, 1985

URBANIZATION: The Lagos Solid Waste and Stormdrainage Project will consist of: (a) expansion and improvement of solid waste disposal services; (b) extension of the primary stormdrainage network; and (c) technical assistance and training.

Borrower/Implementing Agency: Nigeria, Lagos State Government

Terms: $72.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $164.3 million equivalent.

Purpose and Benefits: The focus will be on increasing the efficiency of Lagos State Waste Disposal Board (LSWDB) operations by expanding collection and tip site capacity, better maintenance of the fleet, provision of transfer stations and strengthening financial management. The primary and secondary drains will be an integral part of the overall and ongoing Lagos flood prevention program of Ministry of Works and Transport (Lagos State) (MOWT), and will provide relief to mainly high-density, low-income areas of the city that are now subject to frequent flooding during the rainy seasons. The project will also assist in improving local and state government resource mobilization through the design and implementation of appropriate property valuation and rating systems.

Date Approved: September 19, 1985.

OMAN

TELECOMMUNICATIONS: The Second Telecommunications Project will consist of: (a) provision and installation of: (1) about 65,000 additional lines of local exchange equipment with associated cables and subscriber plant to provide about 62,000 subscriber connections and about 460 local/long distance public call offices; (2) a digital international exchange of about 600 lines; (3) transmission equipment (including satellite communications equipment, microwave and spur links) to carry the projected traffic loads; (4) equipment for extension of the mobile telephone network; and (5) miscellaneous equipment extensions of the mobile telephone network; and (5) miscellaneous equipment including a computer for telephone billing and other data processing applications, training equipment, equipment for maritime communications, teleprinters and vehicles; (b) construction of exchange buildings and staff accommodation; and (c) carrying out of tariff studies, establishment of an economic studies unit, computerization of accounting and other functions, development and implementation of technical and financial training programs.

Borrower/Implementing Agency: Oman, The General Telecommunications Organization (GTO).

Terms: $23.0 million equivalent IBRD loan. 10 years at the Bank's standard variable interest rate per annum. Total project cost: $227.8 million equivalent.

Purpose and Benefits: The project is designed to further strengthen GTO as an institution to enable it to manage most work in the sector by 1990. Through a balanced package of works, the project will expand the local telephone facilities in existing telephone switching centers, provide telephone service for the first time to about 37 rural communities and expand domestic long distance and international telephone facilities to carry the additional traffic generated by local network expansions. The project is expected to benefit, directly or indirectly, all segments of the Omani society. The project faces no unusual risks. The fundamental risk that the major institution project objective of leaving GTO with sufficient in-house capabilities to manage most development and operational work in the sector by 1990 may not be met is minimal in that regular consultation should lead to identification of appropriate measures and resources needed for timely realization of the objective. The risk that GTO's planning and implementation capacity may not be sufficient to execute the proposed project is likewise minimal in light of GTO's past performance, its intent to delineate management responsibility for planning and project implementation and measures included in the project to establish an economic studies unit and train GTO staff. The economic rate of return is estimated to be 16 percent.

Date Approved: April 11, 1985.

PAKISTAN

AGRICULTURE: The Left Bank Outfall Drain Stage I Project will consist of: (a) completion of a 300 km outfall drain and remodelling of existing drains to dispose of saline effluent to the Arabian Sea; (b) installation of a surface and subsurface drainage network in the three subareas; (c) installation of a power distribution system to supply the drainage tubewells and drain pumps; (d) introduction of onfarm water management practices including renovation of about 920 water-courses and precision land levelling; (e) remodelling of the Nara and Jamrao Canals, as well as construction of the Chotiari Reservoir, to provide supplemental irrigation water for the project area; and (f) technical assistance for project design and implementation.

Borrower/Implementing Agency: Pakistan, Government of Sind (GOSind), Power Development Authority of Pakistan (WAPDA).

Terms: $150.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $635.7 million equivalent.

Purpose and Benefits: The project will increase agricultural production over about 516,000 ha by lowering watertable and salinity levels, saving or recovering water lost from the irrigation system, and providing supplementary water. The effect of reversing the abandonment of land, combined with increased cropping intensities and yields, is expected to result in annual incremental production of about 315,000 mt of seed cotton, 215,000 mt of wheat, and moderate increases in other crop and livestock products. The total annual foreign exchange benefits of this production will be the equivalent of about $180 million. Additional benefits are expected from reduced damage to infrastructure currently caused by stormwater and high watertables. The estimated economic rate of return for the LBOD Stage I project is about 14 percent. While the previous investments in the spinal drain are justified "sunk costs", if they were included in the project will still be economically viable with a rate of return of about 12 percent.

Date Approved: December 13, 1984.

AGRICULTURE: The Agricultural Extension and Adaptive Research Project will consist of: (a) redeploying existing and recruiting new staff; (b) provision of necessary physical components, including offices, staff housing, vehicles and equipment; (c) the establishment of adaptive research farms; and (d) staff training and technical assistance to strengthen the institutions responsible for implementing extension and research activities in the Province. Other than the lack of training among staff and implementation capacity, the project faces no major risks.

Borrower/Implementing Agency: Pakistan, Province of Baluchistan.

Terms: $8.3 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $11.5 million equivalent.

Purpose and Benefits: Attributing a precise level of benefits to this type of project is difficult since it is not possible to determine what proportion of benefits are due to extension and adaptive research efforts and what are due to additional purchase inputs and other factors. In practice, it is the combination of a number of factors, with adaptive research and extension playing the role of a catalyst, that brings the desired benefits. It is also difficult to estimate acceptance rates of recommended practices. However, since the project relies primarily on reorganization and strengthening of an existing extension structure, the incremental cost is low. Even very small and slow production increases in the project area will generate a high rate of return. Due to the speculative nature of the results, no effort has been made to calculate a precise economic rate of return. However, in a sensitivity analysis, certain calculations have been made on the benefits required to justify the project investments. These calculations, based on economic values, show that overall yield increases of about 2.0 percent are required to justify project expenditures. This will amount to increases in wheat yields of about 35 kg/ha, or rice by 65 kg/ha, and/or sorghum by 10 kg/ha. Yield increases of 3 percent will give an economic rate of return of over 20 percent. One significant feature of the system is that the practices initially stressed by the extension service focus on improving cultural practices (timely operations, good land preparation, proper seed rates, line sowing and weeding) to maintain adequate and healthy plant populations in the fields. As these operations usually involve more work and little cash outlay, they are particularly well suited to the needs of many small farmers.

Date Approved: December 13, 1984.

ENERGY: The Fourth WAPDA Power Project will consist of: (a) the erection of about 3,815 km of transmission line, (b) the construction of 139 new substations, (c) the extension and reinforcement of another 86 existing substations, and (d) studies, technical assistance and training to: (1) prepare an investment program for reducing losses in the transmission network, (2) prepare a program of action to improve power plant efficiency, (3) develop a least cost national power plan, and (5) modernize WAPDA's internal audit system and strengthen its accounting capabilities.

Borrower/Implementing Agency: Pakistan, Water and Power Development Authority (WAPDA).

Terms: $100.0 million equivalent IBRD loan. 20 years at the Bank's standard variable interest rate per annum. Total project cost: $614.0 million equivalent.

Purpose and Benefits: The project is expected to play a critical role in ensuring the optimal development and operations of the power system as part of the least cost investment program for transmission being undertaken by WAPDA. The internal economic rate of return (IERR) on the project is 14 percent. This is based on WAPDA's average tariff being increased in real terms, by about 12 percent annually between FY86 and FY90 in order to meet 40 percent of its development program of a minimum of Rs 30 billion agreed with the Bank for FY86-88, and a reduction in incremental sales by about 3 percent per year to accommodate the likelihood that higher real tariffs will induce greater conservation and economy in the use of electricity. Based on using KESC's average tariff of 98 paisa/kWh as a proxy for WAPDA's consumers' willingness to pay and incremental sales are reduced by 5 percent to allow for the possibility that not all consumers will be willing to pay the higher tariffs. The IERR on the investment program is about 13.1 percent though it is not possible to isolate the benefits of the project from those of generation and distribution, this provides an accurate approximation of the real return on the project and the best measure of economic merit. The 13.1 percent IERR is based on measurable costs and benefits.

Date Approved: March 7, 1985.

ENERGY: The Energy Sector Loan will consist of equipment, materials, and field services needed for energy projects that are included in and are to be implemented during the first two years (FY86 and FY87) of the three-year core investment program. It will also cover purchases of instrumentation and services of consultants for energy audits and feasibility studies. The equipment, material, and services will be for projects in the areas of: (a) power generation, transmission, and distribution; (b) exploration and development for oil and gas; (c) gas transmission and distribution; (d) infrastructure for the supply of petroleum products; (e) coal assessment and development; and (f) energy conservation.

Borrower/Implementing Agency: Pakistan, WAPDA, OGDC, KESC, PSO, SNGPL, KGC, and PMDC.

Terms: $178.0 million equivalent IBRD Loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $2,038.6 million equivalent.

Purpose and Benefits: The loan will make a major contribution to the continuing structural adjustment process in Pakistan. Preparation of the loan has assisted the Government to articulate a well-defined and comprehensive strategy for the development of the energy sector. By financing imports required to implement the Government's core investment program in energy, the loan will support an investment program which takes into account the interlinkages among energy subsectors, and the implementation and financing capabilities of the Government. By providing a comprehensive and integrated policy framework, the loan will assist the Government to enhance the effectiveness of public investment in energy and, where appropriate, encourage the mobilization of private sector participation. The major benefits of the loan will be through its contribution to strengthened energy sector planning, the adoption of policy reforms which address key structural constraints within an integrated sectoral framework, and the implementation of the Government's core energy investment program. Over the next three to five years, progress in these areas should have a major positive effect on Pakistan's balance of payments and the efficiency of resources allocation, through the accelerated development of indigenous energy resources to substitute for imports and improvements in energy conservation. Improvements in the energy sector will have a major beneficial impact on other sectors, especially industry.

Date Approved: May 23, 1985.

ENERGY: The Petroleum Resources Joint Venture Project will consist of: (a) exploration/appraisal and construction of relevant infrastructure in (1) the north Potwar block, under an existing joint-venture concession agreement; (2) the Badin block, under a two-year extension of an existing joint-venture concession agreement; and (3) exploration/appraisal in the areas covered under New Joint Ventures to be entered into by Government Oil and Gas Development Corporation (OGDC) and (b) technical assistance to the Ministry of Petroleum and Natural Resources.

Borrower/Implementing Agency: Pakistan, Oil and Gas Development Corporation (OGDC).

Terms: $55.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $282.3 million equivalent.

Purpose and Benefits: The main objective of the project is to accelerate the exploration for and development of Pakistan's petroleum resources. The principal means selected to achieve this objective are: (a) supporting Government/OGDC as a non-operating partner in existing joint ventures, as well as in new joint ventures which are expected to result from the implementation of recent policy initiatives, notably a revised gas producer price policy; (b) implementing a core investment program which focuses on OGDC's efforts on priority activities within its technical and managerial capabilities and which includes exploration and development investments in new joint ventures for which increased private sector participation will be mobilized, as well as in existing joint ventures; and (c) strengthening the technical and administrative capabilities of the three Directorates General of the Ministry of Petroleum and Natural Resources, particularly in their relations with private investors.

Date Approved: May 23, 1985.

ENERGY: The Fifth WAPDA Power Project will consist of: (a) the installation of 1,100 km of 500-kV transmission line, (b) the installation of two new 500-kV substations and the extension and reinforcement of four existing 500-kV substations, and (c) consulting services for (1) implementing a system for the collection, storage and retrieval of data on power, (2) a load research and demand management study, and (3) a feasibility study and detailed engineering for a power generation complex based on imported coal.

Borrower/Implementing Agency: Pakistan, Water and Power Development (WAPDA).

Terms: $100.0 million equivalent IBRD Loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $300.9 million equivalent.

Purpose and Benefits: Although essentially a transmission project, the project's benefits cannot be isolated from those of generation and distribution. Consequently, the return on WAPDA's investment program, covering generation, transmission and distribution, for the period 1984-1990, is used as a measure for the return on the project. With the costs of the investment program expressed in their equivalent border values, and with incremental benefits valued at WAPDA's average revenue of 63 paisa/kWh, the internal rate of return is six percent. This valuation of benefits understates the economic return since WAPDA's average revenue is only 63 percent of the long run marginal cost of supply. In the absence of a demand curve that would permit the surplus currently enjoyed by WAPDA's consumers to be quantified, one proxy is to take KESC's average revenue of 98 paisa/kWh as a measure for WAPDA's consumers' willingness to pay. With benefits valued on this basis, no change in the valuation of costs, and incremental sales reduced by five percent, the internal rate of return is 14 percent. Another proxy is to value benefits at the projected increase in WAPDA's average revenue that is required to meet the 40 percent internal cash generation target. On this basis, and with costs unchanged and incremental sales reduced by 3 percent, the internal rate of return is 15 percent. This is the best measure for the economic return on the project, although it does not capture the unquantifiable cost-savings expected from improved power plant efficiencies, reduced overall fuel costs, and reduced transmission and distribution losses.

Date Approved: May 28, 1985.

AGRICULTURE: The Second On-Farm Water Management Project will consist of: (a) equipment, materials, and skilled labor for renovation of about 2,500 watercourses, precision land leveling, demonstration plots, construction of water tanks, and limited office space and staff housing; (b) technical assistance; (c) training; and (d) supervision and administration.

Borrower/Implementing Agency: Pakistan, On-Farm Water Management Directorate (OFWM).

Terms: $34.5 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $57.8 million equivalent.

Purpose and Benefits: Cropping intensities and yields will increase as a result of additional irrigation water from reduced conveyance losses in some 2,500 renovated watercourses combined with other project improvements, including precision land leveling, operation of demonstration plots, and adoption of better water management practices. At full development, over the project area of 400,000 ha, incremental production, primarily of wheat, cotton, and paddy rice, will be valued at US$18 million (in constant FY85 prices). This, in turn, would raise farm incomes by an estimated seven percent to 17 percent in the project area. Nearly 90,000 farm families or about 540,000 people, whose average per capita income is $130-240 compared to $390 for Pakistan as a whole, would benefit directly. In addition, the project would provide farm employment of about 30 million man-days per year at full development and the demand for hired labor would more than double to about 2.5 million man-days. The project's overall economic rate of return is 22 percent.

Date Approved: June 6, 1985.

EDUCATION: The Second Primary Education Project will consist of: (a) in-service training; (b) supervision of teachers; (c) improved learning materials; (d) the expanded use of assistant teachers; (e) improved physical facilities; and (f) greater community support.

Borrower/Implementing Agency: Pakistan, Ministry of Education.

Terms: $52.5 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $73.0 million equivalent.

Purpose and Benefits: The emphasis in the project will be on achieving quality improvements. One of the more important benefits of the project will be to provide the Government with a proven strategy for the development and implementation of long-term program in the primary education sub-sector.

Date Approved: June 6, 1985.

PANAMA

ENERGY: The Seventh Power Project will consist of: (a) raising the height of the existing dam of the Fortuna project to increase the project's generating capacity by 247 GWh per year (average hydrology); (b) complete feasibility studies for two medium-size hydroelectric projects for future construction to meet growth of demand; and (c) an asset revaluation study.

Borrower/Implementing Agency: Panama, Instituto de Recursos Hidraulicos y Electrificacion (IRHE)

Terms: $51.0 million equivalent IBRD loan. 15 years at the Bank's standard variable interest rate per annum. Total project cost: $87.6 million equivalent.

Purpose and Benefits: The project will meet the growing demand for electric power through 1991 in support of Panama's economic and social development, prepare feasibility studies for two medium-size hydroelectric projects for future needs, and continue the support to aid institution building of IRHE. The internal rate of return on the investment, which is the least cost solution to supply the electric power, is 19 percent. A sensitivity analysis made shows that the project costs would have to increase by 20 percent and benefits to decrease by 20 percent to reduce the return to 12 percent, which is the estimated cost of capital in Panama.

Date Approved: March 19, 1985.

PAPUA NEW GUINEA

AGRICULTURE:HEALTH:EDUCATION:TRANSPORTATION: The West Sepik Provincial Development Project will consist of: (a) agricultural development activities comprising subsistence agriculture, cash crops (including tree crops and vegetables), strengthening of support services, and special studies to investigate and prepare future agricultural projects; (b) infrastructure development through road upgrading and rehabilitation, airstrip upgrading and wharf construction; (c) health and nutrition services development, including nutrition research in the Lumi district, a school nutrition program, and training and supervision of primary health care workers; (d) education and training improvement comprising establishment of central community schools, boarding facilities, an in-service training center, and vocational training; and (e) institution building through upgrading of the provincial management, financial, and staff development functions.

Borrower/Implementing Agency: Papua New Guinea, West Sepik Provincial Government.

Terms: $9.7 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $16.6 million equivalent.

Purpose and Benefits: The project will be the first five-year phase of a 30- to 40-year program to bring the province out of its isolation and into a more integrated and modern way of life. It will respond both to the people's frequently reiterated desire for better roads, health services, schools and opportunities to increase cash income, and the development goals of the province particularly to increase growth in the agricultural sector, improve effectiveness of government services, and increase the provincial revenue base. The project will accelerate the building of a human, agricultural, institutional and physical resource base for sustained economic growth. A positive feature of the project will be the involvement of local leaders, technocrats, and provincial inhabitants in its preparation.

Date Approved: October 30, 1984.

AGRICULTURE: The Nucleus Estate and Smallholder (Milne Bay) Project will consist of: (a) development of 3,700 ha of oil palm nucleus estate plantation; 750 ha of cocoa nucleus estate plantation; and 1,000 ha of peripheral smallholder oil palm blocks; (b) construction of a 30 ton per hour palm oil mill with associated maintenance, transport, and storage infrastructure; and a 13 ton (dry-bean-equivalent) capacity cocoa fermentary and drier; (c) construction of 560 houses for laborers and staff; construction of three bridges and upgrading of provincial and other access roads, bridges, and culverts; (d) construction of necessary health, education, and police protection facilities within the project area; and (e) provision of administrative, technical, and training support; and strengthening of governmental extension, research, and project preparation services.

Borrower/Implementing Agency: Papua New Guinea, Milne Bay Estates Pty Ltd and Department of Primary Industry.

Terms: $27.6 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $68.3 million equivalent.

Purpose and Benefits: The project has been designed to address several of the Government's development objectives. These are: (a) increasing and diversifying foreign exchange earnings through investments in sectors where Papua New Guinea (PNG) has a comparative advantage, such as palm oil production; (b) reversing the decline in its cocoa exports; (c) accelerating economic development in the least-developed provinces, such as Milne Bay Province; (d) increasing rural employment opportunities through choice of technologies by giving preference, for instance, to manual land-clearing techniques; and (e) improving the quality of life of poorer sections of the population through provision of social infrastructure and suitable houses for estate labor. At full production in the project's tenth year it will annually produce 27,000 tons of palm oil, 6,000 tons of palm kernel, and 1,260 tons of cocoa. This will represent export revenues of $15.5 million per year. The estimated economic rate of return is 14 percent.

Date Approved: July 23, 1985.

AGRICULTURE: The Third Agricultural Credit Project will consist of: (a) providing funds to ABPNG to onlend for tree crop development, new crops and other agricultural activities, livestock, agro-processing facilities, and agricultural equipment and vehicles; and (b) strengthening ABPNG by providing data processing facilities, vehicles, funds for staff training, fellowships, studies, and technical assistance for improving its management and financial performance.

Borrower/Implementing Agency: Papua New Guinea, Agriculture Bank of Papua New Guinea (ABPNG).

Terms: $18.8 million equivalent IBRD loan; 16 years at the Bank's standard variable interest rate per annum. Total project cost: $31.3 million equivalent.

Purpose and Benefits: The project will benefit 3,400 smallholder families, 55 percent of which are considered poor (earning less than K 275 per capita p.a.). It will provide full time employment for about 3,500 people, expand exports of cocoa and oil palm and ensure a productive and sustainable use of underutilized land resources. The total value (in constant 1985 prices) of project related exports will be about $21.5 million annually at full development, yielding revenues to the Government of about $0.6 million annually from taxes. About 60 percent of the project costs are directed to the poor and the share of the poor in total benefits is estimated to be about 70 percent. The project will also have the beneficial effect of strengthening ABPNG as a development finance institution, increasing its lending capability, and improving the planning, supervision and implementation of subprojects. The expansion of ABPNG's lending volume will maximize the use of existing staff and facilities and result in an improved financial condition of the bank in the long run. The estimated average economic rates of return (ERR) for the various farm models are 30 percent for cocoa, and 33 percent for oil palm.

Date Approved: September 19, 1985.

PERU

ENERGY: The Industrial Energy Conservation and Rationalization Project will consist of establishment of a Center for Energy Conservation to assist the industrial sector in Peru in reducing energy costs through conservation and rationalization, including the carrying out of energy audits, development of energy conservation and rationalization legislation, carrying out an incentives study for energy savings, preparation of manuals and handbooks on energy saving measures in energy-intensive subsectors and training.

Borrower/Implementing Agency: Petroleos del Peru, (PETROPERU).

Terms: $4.0 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $6.0 million equivalent.

Purpose and Benefits: The primary objective of the Project is to assist the industrial sector in Peru in reducing energy costs through conservation and rationalization, including the carrying out of energy audits, promotion, training, development of energy conservation legislation and preparing manuals and handbooks on energy-savings measures. The project is expected to have a strong impact on institutional development in the industrial sector, through training of managers for industrial energy conservation and rationalization. Staff seconded from local companies to the Center will receive classroom training at the Project's training facilities; this will be supplemented with on-the-job training which they will obtain by participating with the foreign consultants in the energy audits. It is expected that the seconded staff will return to their parent companies as energy managers and will be able to disseminate energy conservation and rationalization practices to their colleagues. In addition, the Project will also have a program to train staff of local consulting firms as energy auditors. The consulting firms will be charged a training fee that will ensure 100 percent cost recovery. It is expected that by the time the Project is completed, Peru will have a large pool of trained energy auditors, thus reducing its reliance on expatriates for future energy audits.

Date Approved: May 9, 1985.

ENERGY: The Power Engineering II Project is designed to support the process of regionalization by which nine regional utilities have been established to be in charge of all local electricity services. This process will improve the efficiency of the electricity services by making them more responsive to local needs. The project consists of: (a) studies to improve the organization, performance and operations of the regional utilities; (b) studies to identify the causes of high system losses and poor reliability and to propose measures for system rehabilitation; (c) distribution planning studies; (d) a study to develop performance indicators and performance targets and to identify the measures needed to achieve such targets; (e) consultant services to review the current tariff structure and make recommendations for the implementation of the necessary adjustments; (f) studies to bring regional generation projects to feasibility level; and (g) purchase, and—where applicable—installation of microcomputers and accessories, equipment for communications, high-priority system components and parts, and maintenance and laboratory equipment.

Borrower/Implementing Agency: Empresa Electricidad del Peru, S.A. (ELECTROPERU, Electro-Norte S.A., Electro-Sur-Medio S.A., Electro-Sur-Oeste S.A., Electro-Oriente S.A., Electro-Centro S.A., Electro-Sur-Este S.A., Electro-Norte-Medio Hidrandina S.A., and Electro-Sur S.A.

Terms: $13.5 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $24.8 million equivalent.

Purpose and Benefits: The project will make a contribution to the power sector by assisting the Government in its strategy of regionalization to improve sector efficiency. The regional utilities will incorporate equipment and parts which are critical to viable system operation and maintenance. They will also develop an adequate planning framework for the distribution system and establish design criteria to upgrade it, reducing losses and improving operations safety, reliability and efficiency. The improvement of the billing and collection procedures should be reflected in a better cash position.

Date Approved: July 2, 1985.

PHILIPPINES

TELECOMMUNICATION: The Telecommunications Technical Assistance project will consist of: (a) strengthening NTC within the MOTC; (b) a tariff study; (c) radio frequency management; (d) network planning; and (e) reviewing training needs, plus fellowships. The project will provide MOTC/NTC with the means to adequately regulate existing sector operations, lay the groundwork for future major physical investments once the macro-economic situation improves, and ensure viable private sector operation, consistent with the public interest.

Borrower/Implementing Agency: Philippines, National Telecommunications Commission (NTC) within the Ministry of Transportation and Communications (MOTC).

Terms: $4.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $4.8 million equivalent.

Purpose and Benefits: The project represents a high priority step in Government's efforts to strengthen the institutional and regulatory framework of the telecommunications sector. An adequate regulatory framework will alleviate some of the current problems of the sector and will be a prerequisite for a much needed expansion of telecommunications services in a coordinated and equitable way, once the current macro-economic constraints are relived.

Date Approved: February 19, 1985.

AGRICULTURE: The Agricultural Credit Project will consist of: (a) short- and long-term credit for the agricultural sector, (b) policy-related studies and preparation of a future project, and (c) training of project-related staff and technical assistance. The project responds to policy and institutional issues identified by the Bank's 1982 Agricultural Credit Sector Review. Project credit is expected to finance a wide range of investments including annual crops; poultry, livestock and fishery development; plantation crops; agroprocessing and post-harvest facilities and farm mechanization.

Borrower/Implementing Agency: Philippines, Central Bank (CB).

Terms: $100.0 million equivalent IBRD loan, 20 years at the Bank's standard varible interest rate per annum. Total project cost: $183.0 million equivalent.

Purpose and Benefits: The project will help foster the country's economic recovery by: providing the agricultural sector with seasonal production and investment credit which has been in increasingly short supply in recent years; establishing an appropriate institutional and policy framework to promote development of financially sound rural credit institutions to mobilize rural savings and improve the efficiency of farm credit operations. The project will also help increase the effectiveness of CB policies with regard to rural financial market development.

Date Approved: June 6, 1985.

PORTUGAL

TRANSPORTATION: The Portugal Coal Handling Port Project will consist of: (a) coal unloading berth within the shelter of a breakwater; (b) coal storage area made up of an area ashore for storage of coal in several stockpiles together with an emergency stockpile at the rear of the ship unloader, port buildings and utilities; (c) coal handling equipment including two unloaders at the berth, two combined stocker/reclaimers, a belt conveyor system, and miscellaneous mobile equipment for terminal operation; and (d) engineering services and training.

Borrower/Implementing Agency: Portugal/Gabinete da Area de Sines (GAS).

Terms: $66.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $176.0 million equivalent.

Purpose and Benefits: The project will provide port facilities for the import of coal to coal-fired power plant, the first phase of which is at an advanced stage of construction at Sines. It also constitutes the first phase of a proposed port expansion in accordance with the master plan. In addition to the power plant at Sines (4 X 300 MW), Electricidade de Portugal (EDP) plans additional coal-fired plants for which coal is expected to be imported through Sines. Although the master plan foresees that Sines port will eventually also handle a variety of other commodities emanating mainly from the industrial area close to the port, this traffic is as yet unclear and coal for the power plants is expected to remain the dominant commodity for the foreseeable future. The project provides the least cost solution for import of coal to the Sines power plant. The project can also be developed in the future according to a master plan which provides for phased expansion in a feasible way.

Date Approved: April 23, 1985.

RWANDA

AGRICULTURE: The Agricultural Research Project will consist of: a) the development of a long term master plan for agricultural research, b) support of on-going research programs, c) institutional development of ISAR, d) development, rehabilitation and equipping of research station facilities and other essential agricultural and laboratory equipment; e) provision of a soils map of Rwanda; and f) support to the Agriculture

Faculty and to the Department of Geography of the University of Rwanda to increase the research capabilities of students and faculty.

Borrower/Implementing Agency: Rwanda, Ministry of Agriculture, Agriculture Research Institute of Rwanda (ISAR).

Terms: $11.5 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $18.0 million equivalent.

Purpose and Benefits: Benefits will include strengthening of Rwanda's agricultural research efforts, which in turn are a prerequisite for sustained agricultural development. By strengthening individual research programs and setting them in the context of a longer-term master plan, the project will assist in directing research to priority areas, adapting it to Rwanda's needs, and coordinating external assistance amongst all donors funding agricultural research in Rwanda.

Date Approved: February 12, 1985.

TECHNICAL ASSISTANCE: The Rwanda Technical Assistance Project for Improvement of Public Finance Management will consist of: (a) training (1) staff in Ministry of Finance and Economy and (2) financial managers in technical ministries, parastatals, and development projects; (b) improving procedures for budget preparation and execution (including financial management of the parastatal sector); and (c) strengthening Government capabilities for economic policymaking. The Government's main objective is to improve, through the project, its control over public finance.

Borrower/Implementing Agency: Rwanda.

Terms: $4.80 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $5.29 million equivalent.

Purpose and Benefits: At the end of the project period, Government should have improved control over the budgetary process, from resource constraint identification to monitoring of budget execution. The introduction of computers should help to produce timely indicators, and improvements in policymaking should help put this information to better use in the adoption of adjustment measures. Training activities, which will have a measurable output, should help to remedy the current lack of skills, and to provide a steady stream of competent staff for the future. The establishment of the Training Center should help to introduce objective criteria for the recruitment and promotion of financial staff. It might serve as an important building block in the creation of an appropriate institution for civil service training. Finally, support to the Interministerial Coodinating Committees mechanism should help strengthen interministerial coordination.

Date Approved: March 21, 1985.

SAO TOME AND PRINCIPE

AGRICULTURE/INDUSTRY/TRANSPORTATION/WATER SUPPLY AND SEWERAGE: The Economic Rehabilitation and Modernization Project will make available $5.0 million equivalent to help finance the foreign exchange component of priority investments in various economic sectors. Such investments have been and will be selected in such a way as to utilize existing assets more fully and to provide a basis for successful implementation of measures to increase production and exports of cocoa, which are currently under formulation.

Borrower/Implementing Agency: Sao Tome and Principe, Central Planning Directorate of the Ministry of Planning.

Terms: $5.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $5.0 million equivalent.

Purpose and Benefits: In global terms, the main benefit of this project is that it would help remove critical bottlenecks that have developed in the modern sector of the economy in the last four years as a result of acute scarcity of foreign exchange. Thus, the proposed project would help better utilize existing assets in various sectors, increase production of some critical products (fish) or stop further decline of others (cocoa, livestock) and ultimately permit the success of actions to be taken in the cocoa sub-sector which are currently being studied and defined. Thus, the proposed credit would help break the vicious circle in which the limited production (and exports) of cocoa does not allow for imports of inputs or services, which in turn is one more factor limiting output. Rates of return on sub-projects would vary between 12 percent and 40 percent. Because the sub-projects would mainly permit the utilization of hitherto idle capacity, few problems of implementation are expected to be encountered.

Date Approved: May 5, 1985.

SEYCHELLES

TRANSPORTATION: The Transport Project will consist of for the commercial port: (a) dredging the entrance channel and the ship turning basin; (b) construction of a petroleum products and cement discharge terminal; (c) rehabilitation of the port's open areas; (d) financial studies; and (e) technical assistance. For the highway component it will include: (a) rehabilitation of the road network; (b) training for the Land Transport Division's staff; and (c) technical assistance.

Borrower/Implementing Agency: Seychelles, Ports and Marine Services Division and Department of Transport.

Terms: $6.2 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $16.7 million equivalent.

Purpose and Benefits: The primary objective of the project will be to improve the capacity and quality of key parts of the transport system. For the commercial port the immediate beneficiaries will be the ship and cargo owners. For ship owners a transfer to the Government will take place in the form of increased port charges, particularly related to improved deep water access. Savings in ships' waiting time will normally be reflected in lower freight rates. For the road improvements the Government will benefit through future reductions in road maintenance expenses, and in vehicle operating costs because of its owner-ship of heavy vehicles through Works Enterprises Limited and Seychelles Public Transport Co. Indirectly the tourism industry will also benefit from a reduction in vehicle costs and accidents. The estimated economic rate of return is 18 percent.

Date Approved: February 12, 1985.

SENEGAL

WATER SUPPLY AND SEWERAGE: The Eleven Centers Water Supply Project will consist of: a) a rehabilitation component for SONEES, including technical assistance, consultancy services, office space, training, as well as additional working capital; b) construction and rehabilitation of boreholes, water treatment, storage, transmission and distribution facilities, house connections and standpipes in eleven secondary centers;

c) feasibility studies for the Dakar/Cap Vert water supply system; d) rural water supply technical assistance and institutional/policy studies; and e) urban sanitation studies.

Borrower/Implementing Agency: Senegal, Societe Nationale d'Exploitation des Eaux du Senegal (SONEES), Ministere de l'Hydraulique (MH).

Terms: $24.0 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $36.0 million equivalent.

Purpose and Benefits: The project will support the Government's objective of enhancing the economic performance of the sector through improved investment planning, programming, project design and cost recovery. By 1991, it will benefit an additional 280,000 people in the eleven centers covered by the project (an increase of 66%) through domestic connections or access to standpipes, half of the additional population served belonging to the urban poor. The economic rate of return is estimated at 9 percent.

Date Approved: March 7, 1985.

SOLOMON ISLANDS

TRANSPORTATION: The Guadalcanal Road Improvement Project will consist of: (a) improvement and rehabilitation of 90 km of a coastal road passing mostly through the Guadalcanal Plains; (b) construction of three major bridges; (c) procurement of construction equipment; and (d) consulting services to assist MEWU in implementation of the project and to provide on-the-job training to its staff in road construction and maintenance.

Borrower/Implementing Agency: Solomon Islands, Ministry of Energy, Works and Utilities (MEWU).

Terms: $2.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $6.5 million equivalent.

Purpose and Benefits: Quantifiable project benefits will be mainly savings in vehicle operating costs. The project will support the Government's efforts to increase and diversify agricultural production by providing reliable low-cost transportation facilities in one of the most agriculturally fertile and economically important parts of the country. The economic rate of return is estimated at 15.6 percent.

Date Approved: January 22, 1985.

SOMALIA

AGRICULTURE: The North-West Region Agricultural Development Project Phase II will consist of: (a) rainfed components including soil and water conservation works, a pilot watershed program and appropriate extension and research; (b) irrigation components including 50 small irrigated farms, appropriate extension and research and establishment of a new horticultural research farm; (c) water points; (d) farm input and equipment supply; (e) training; (f) project management unit; and (g) pilot program and project development for the semimechanized rainfed agricultural development at Kurtun-Waarey and Sablaale.

Borrower/Implementing Agency: Somalia, Ministry of Agriculture.

Terms: $10.6 million equivalent IDA credit; 50 years with a 0.75 percent service-charge per annum. Total project cost: $25.6 million equivalent.

Purpose and Benefits: Over a five-year period, the project will (a) increase small rainfed farmer incomes and subsistence through improved production of grains (sorghum and maize) by soil and moisture conservation, adaptive research, extension, farmer training and the supply of farm inputs, (b) increase fruit and vegetable production from the small irrigated gardens through the construction of new gardens, rehabilitation of existing gardens, technical support, research, extension and the supply of farm inputs and (c) strengthen local institutional capacity to implement projects and to improve services to farmers.

Date Approved: January 8, 1985.

AGRICULTURE: The Somalia Agricultural Inputs Program will consist of: (a) foreign exchange to be sold to individuals, firms or public sector agencies, at the market exchange rate to purchase letters of credit to import agricultural, fisheries and livestock equipment, spare parts and inputs; (b) foreign exchange provided at the official exchange rate to the Ministries of Livestock, Fisheries and Agriculture for plant protection services, spare parts to rehabilitate agricultural equipment at four workshops and other imported items; (c) diesel fuel to be procured by Government, for sale for agricultural, fisheries and livestock purposes; and (d) technical assistance and operating costs of a procurement unit for the administration of the project, technical assistance for preparing the spare parts list and rehabilitating agricultural equipment at the four workshops, and part of the cost of the agricultural sector task forces.

Borrower/Implementing Agency: Somalia, Ministry of Finance, Ministries of Agriculture, Fisheries and Livestock, Commercial and Savings Bank of Somalia.

Terms: $10.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $19.5 million equivalent.

Purpose and Benefits: The program's main benefit would be the maintenance of agricultural, livestock and fishery production made possible by the provision of the required inputs. Owing to the shortage of foreign exchange in recent years, production losses have occurred as a result of the non-availability of key inputs such as fertilizer, plant protection materials, spare parts and fuel for irrigation pumps and tractor-driven implements. The renewed availability of the basic inputs would act as an incentive to agricultural producers. The proposed credit would also support and extend the Government's program of reducing and rationalizing its own role in these sectors. It would help motivate private enterprise to expand its role in specific activities, such as veterinary drugs distribution and tractor hire services. The credit would assist Government in fulfilling its obligations in certain agreed areas of Government involvement, such as production of animal vaccines and plant protection services. In conjunction with the Economic Recovery Program and possible further support from the international donor community, the proposed credit would support the process of agricultural policy and institutional reform and create the necessary environment for the required investments to achieve longer term growth of the economy in agriculture, fisheries and livestock.

Date Approved: June 18, 1985.

SRI LANKA

AGRICULTURE: The Major Irrigation Rehabilitation Project will consist of: (a) rehabilitation of seven existing irrigation systems serving a total area of about 46,000 hectares; (b) introduction of an integrated management program to ensure proper operation and maintenance of the systems and distribution of irrigation supplies; (c) strengthening support services provided by various government agencies; and (d) provision for monitoring and evaluation of project execution and performance.

Borrower/Implementing Agency: Sri Lanka.

Terms: $17.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $43.2 million equivalent.

Purpose and Benefits: The project will seek to increase agricultural production on land commanded by seven selected major irrigation systems by promoting more effective use of irrigation water, introducing systematic water management, strengthening agricultural support systems, improving roads, and conducting studies to improve system performance. The production potential of these systems has not been fully realized owing to inadequate maintenance, an inefficient distribution system, and poor management. Without the project, land resources in these systems will remain underutilized, and productivity of land may deteriorate. The principal benefits will be higher cropping intensity, improved cropping practices, and therefore higher production and increased farm income. The economic rate of return is estimated at 16 percent.

Date Approved: December 20, 1984.

AGRICULTURE: The Fourth Tree Crops Project will consist of the production of tea, rubber, and coconuts by improving the productivity of all publicly-held estates, rehabilitating factories, providing field and nursery equipment, and improving transportation. The project would strengthen management and financial control of the corporations, stabilize lands through soil conservation, and improve the health and social welfare of estate workers and their families. The project would also improve institutional capacity by providing training, technical assistance, and facilities for planning and monitoring operations.

Borrower/Implementing Agency: Sri Lanka, Janatha Estates Development Board, Sri Lanka State Plantations Corporation.

Terms: $55.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $211.8 million equivalent.

Purpose and Benefits: The project will constitute the main thrust of the Government's development strategy to arrest the decline in export earnings and budgetary revenues from tea, rubber, and coconut and to diversify further the country's uneconomic tea-producing areas. With the project, Sri Lanka's total tea production will increase from current average annual level of around 190 million kilograms to about 217 million kilograms per year by 2001. This new level will still fall short of the country's production of 228 million kilograms in 1965. Incremental annual production of rubber will be 18 million kilograms and 18 million more coconuts will be produced. At full development in 2001, net foreign exchange earnings from project tea and rubber would amount to about US$65 million annually. Rehabilitation of factories will improve tea quality and avoid any decline in rubber quality. Sri Lanka's international reputation for premium teas and rubber will be maintained and the country's marketing position will be strengthened. Rationalization of factories, improvements in field programs, and institutional development would result in reduced costs of production that would further strengthen Sri Lanka's competitive position on world markets. The project's overall economic rate of return would be about 26 percent.

Date Approved: March 21, 1985.

TRANSPORTATION: The Second Roads Project will consist of: (a) road rehabilitation – a program of periodic maintenance consisting of bituminous overlay on about 300 km of road and surface resealing on about 270 km of road and the strengthening or rehabilitation of about 30 bridges; (b) institutional strengthening – equipment, technical assistance, and training for Ministry of Highways (MOH's) highway planning and highway maintenance departments; and transport sector studies under the Transport Coordinating Committee.

Borrower/Implementing Agency: Sri Lanka.

Terms: $24.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $43.6 million equivalent.

Purpose and Benefits: The project will seek to improve periodic maintenance of the trunk road network including bridges, and to strengthen the institutions concerned with transport infrastructure. Changes already instituted or underway in the organizational structure of the highway subsector and the method of road maintenance work supported under the project will lay the foundation for improved maintenance in the future. The project will strengthen road maintenance planning, supervision, and execution of the maintenance program. In addition, the project will assist in strengthening planning and coordination at a sectoral level and in addressing some key sectoral policy issues. The economic rate of return is estimated at 82 percent.

Date Approved: April 16, 1985.

AGRICULTURE: The Second Dairy Development Project will: (a) provide support for the long-term development of dairying in Sri Lanka by assisting in the generation of an organizational structure for the dairy industry; (b) increasing rural employment and incomes; improving efficiency in production, collecting, chilling, processing, and marketing milk; (c) increasing the supplies of domestically produced and hygienically processed fluid milk; (d) providing technical assistance and training; and (e) strengthening the monitoring and evaluation of development projects in the livestock sub-sector.

Borrower/Implementing Agency: Sri Lanka, Dairy Development Foundation.

Terms: $38.0 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $111.2 million equivalent.

Purpose and Benefits: Incremental on-farm employment generated during the first seven years of the project is estimated at 25,000 person years distributed among about 180,000 households. The producers' share of consumer payments for processed milk (now about 54 percent) is expected to reach 60 percent under the project through more efficient collecting, processing, and marketing of milk. The shift to a vertically integrated organizational structure with producer ownership in the collecting, processing, and marketing entities would ensure that benefits from increased efficiency in milk processing and marketing are passed on to the farmers. In terms of gross income, project participants to 1992 would receive an estimated SL Rs 750 million (US $30 million) from the sale of milk. This is expected to yield an increase in net income of about SL Rs 265 million, or SL Rs 1,470 per household. The overall economic rate of return is about 23 percent.

Date Approved: June 11, 1985.

SUDAN

AGRICULTURE: The Stock Route Project will consist of: (a) fifty-nine wateryards with about 83 tubewells to be constructed on two main and two feeder stock routes; (b) facilities and materials for veterinary inspection, treatment and vaccination at about 18 veterinary centers along stock routes; (c) project administration facilities (office, housing, vehicles and equipment); and (d) technical assistance and training.

Borrower/Implementing Agency: Sudan, Livestock Route Company.

Terms: $5.5 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $19.6 million equivalent.

Purpose and Benefits: The project will benefit livestock producers, traders and consumers through livestock holding cost reduction, decreases in trekking weight losses, and reduction in trekking mortality rates. The project will enable livestock traders to supply meat markets in urban centers with less fluctuation throughout the year. With producer's marketing spread more evenly over the entire year, average producer prices will improve because uniform monthly offtake of animals will reduce producer holding costs and seasonal gluts in supply which force prices down. Consumer prices for meat will fall because of lower marketing costs. The economic rate of return for the project is estimated to be about 27 percent.

Date Approved: October 16, 1984.

AGRICULTURE: The Drought Recovery Project will consist of the provision of: machinery and spare parts, fertilizer, and jute sacks to mechanized farmers in the rainfed areas and to traditional private farmers with irrigated farms; (b) fertilizer to tenant farmers in the Gezira and Rahad irrigated schemes; and (c) equipment to assist in the drilling and rehabilitation of wells and boreholes and the construction of hafirs to increase potable water supplies in the Eastern Region of Sudan.

Borrower/Implementing Agency: Sudan, Agricultural Bank of Sudan, Sudan Gezira Board, Rahad Corporation, and National Water Corporation.

Terms: $20.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $24.9 million equivalent.

Purpose and Benefits: The principal objective of the drought recovery project will be to provide emergency assistance needed to increase food production in Sudan in order to reduce Sudan's sizeable food deficit and to help restore the economy to its pre-drought level of agricultural output. A secondary objective will be to alleviate the economic distress caused to farmers in the Sudan as a result of the drought by restoring their capacity to resume agricultural production. The program will also help to alleviate the serious foreign exchange constraint imposed on the economic recovery program by the drought, and will serve to encourage the Government to carry out the development of a long-term strategy for the rainfed agricultural sub-sector. The benefits resulting from the program are expected to be (a) increased sorghum and wheat production from the application of fertilizers in the irrigated areas, (b) increased sorghum production from the rainfed areas through the provision of tractors and spare parts for farm machinery and jute sacks, and (c) an increase in the number of functional wells and hafirs in the Eastern Region through the provision of pumps, drills, and construction equipment.

Date Approved: June 20, 1985.

ENERGY: The Power Rehabilitation Project will consist of (a) addition of two 10 MW diesel units at the Burri Power Station; (b) rehabilitation of Units one and two at Roseires Hydropower Station; (c) procurement of spare parts for the Sennar Hydropower Station; (d) rehabilitation of the Blue Nile transmission network, including the procurement of transmission towers and parts, tools and measuring equipment; (e) replacement of circuit breakers and accessories in the Eastern Grid, and installation of protection relays for 66 kv transmission lines; (f) replacement of old circuit breakers at the Burri and Kilo X substations; and (g) consultancy services.

Borrower/Implementing Agency: Sudan, National Electricity Corporation (NEC).

Terms: $30.0 million equivalent IDA credit; 50 years with an 0.75 percent service charge per annum. Total project cost: $40.2 million equivalent.

Purpose and Benefits: The project objectives will be (a) to ensure the efficient utilization of existing power facilities, and to improve power facilities and power supply reliability through immediately required rehabilitation works which will yield high economic returns and minimize required funding for new investments; (b) to assist in urgently needed additions of generation, transmission, and distribution capacities to meet the growing demands on the power system; and (c) to promote institutional development and strengthen the power subsector organization and operation, establish long term development policy and investment priorities, reform power tariffs, introduce load management and energy conservation, and contribute to power system interconnections.

Power supply interruptions and system blackouts are a regular occurence in Sudan, causing enormous damage to the national economy. Furthermore, there exists an urgent need to improve long-neglected maintenance and rehabilitation of existing plant. Power supply is being restricted by power rationing and delaying the connection of new customers. Moreover, power generation on the NEC system is strongly affected by the seasonal variations of the Nile River flow and by irrigation requirements which take precedence. The two 10 MW diesel units have been evaluated within the framework of the least cost development comprising 60 MW steam units at Khartoum North and hydro unit No. 7 at Roseires. This evaluation consists of a comparison of a power development program with and without the addition of the two 10 MW diesel units. The estimated economic rate of return is 19 percent.

Date Approved: August 27, 1985.

SWAZILAND

TRANSPORATION: The Cyclone Roads Rehabilitation Project will consist of: (a) the implementation of a two year program to rehabilitate about 700 km of district roads by force account, and reconstruction of approaches to the Mhkondvo, Lusutfu and Mzimpofu River bridges by contract; (b) provision of technical assistance to the Central Transportation Administration consisting of three advisors, and (c) other consulting services for (i) pavement testing, feasibility and detailed engineering studies for the rehabilitation of the pavement structure of the Tshaneni-Mlawula (37 km) and the Big Bend-Helehele (70 km) roads, and (ii) construction supervision of the civil works in (a) above to be executed by contract.

Borrower/Implementing Agency: Swaziland, Central Transport Administation.

Terms: $8.6 million equivalent IBRD loan. 17 years at the Bank's standard variable interest rate per annum. Total project cost: $11.34 million equivalent.

Purpose and Benefits: The project objectives are to (a) prevent further deterioration of the road network; and (b) restore the road network to the pre-cyclone service levels. This will contribute through reduction of transport costs to the restoration of the economy of Swaziland. The loan will significantly assist the Government in carrying out priority rehabilitation works to repair damage on its road network over a two year period.

Date Approved: February 5, 1985.

SYRIA

AGRICULTURE: The National Agricultural Extension Project will consist of financing the first phase of a national agricultural extension program, limiting its coverage to irrigated and higher rainfall areas (over 350 mm p.a.). The project will include provision of equipment and vehicles, as well as training and technical assistance. This will correspond to 450 extension units, and 39 centers, to provide supervisory and subject matter support support to extension agents. The Department of Extension, at each of the 14 Mohafaza, and the Directorate of Extension at Damascus, will also be supported.

Borrower/Implementing Agency: Syria, Ministry of Agriculture and Agrarian Reform.

Terms: $7.5 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $36.3 million equivalent.

Purpose and Benefits: The project supports the government's objective of increasing agricultural productivity through strengthening the organizational and management structure of the extension system and improving farm management practices. The project also aims at intensifying field demonstration activities, developing audio-visual and mass media programs, and improving program planning, monitoring, and evaluation capablities of the extension system. Strengthening agricultural extension along these lines is essential for realizing the full potential of the country's agricultural resources and for deriving full benefit from past investments in the sector, particularly in irrigation.

The project will serve about 380,000 farm families (or 80 percent of the total farm population) with an average farm size of about five hectares. It will cover irrigated and higher rainfall areas with the greatest agricultural potential for which tested and proven technical packages are readily available. Given the current potential for yield increases and the economic importance in terms of import substitution and export potential, the project will focus primarily on wheat, cotton, vegetables, and olives and, to a lesser extent, on seed legumes, other fruit tree crops, and livestock practices.

Date Approved: September 19, 1985.

TANZANIA

TECHNICAL ASSISTANCE: The Fourth Technical Assistance Project will consist of technical assistance in the Marketing Development Bureau (MDB), the Project Preparation and Monitoring Bureau (PPMB), and the Research Department of the Ministry of Agriculture and Livestock Development. It will also finance special studies on the effectiveness of technical assistance to agriculture, on the use of skilled Tanzanian manpower, and on the design of a strategy for training and infrastructure development for the Sokoine University of Agriculture.

Borrower/Implementing Agency: Tanzania, Ministry of Agriculture and Livestock Development.

Terms: $10.0 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $11.94 million equivalent.

Purpose and Benefits: The project will strengthen the Ministry of Agriculture and Livestock Development's (MOA) capacity to provide the analytical foundations (a) to improve agricultural pricing policy, (b) to monitor project and parastatal performance in the agricultural sector, and (c) to improve agricultural research. In addition it will improve technical crop recommendations through cataloging and updating of agricultural research data already generated by the major research stations. The project will assist the Government to design and implement its program to review and revise policies and institutional arrangements in the agricultural sector by assisting MDB in the improvement and expansion of pricing and marketing policy analyses and by strengthening PPMB's analystical and training capacity in parastatal financial management and reconstruction. The work of MDB and PPMB will continue to provide donors and the Government with studies and information for policy discussions and decisions.

Date Approved: October 16, 1984.

TRANSPORTATION: The Dar Es Salaam Port Rehabilitation Project will provide special container handling facilities and equipment, replace some deteriorated general cargo equipment, modernize grain handling facilities, rehabilitate lighterage facilities and the petroleum jetty, repave sections of berths, and provide for a review of additional rehabilitation requirements, technical assistance and training, and consultancy services.

Borrower/Implementing Agency: Tanzania, Tanzania Harbors Authority (THA).

Terms: $27.0 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $91.0 million equivalent.

Purpose and Benefits: The objectives of the project are to provide facilities and equipment to THA to enable the Dar es Salaam Port to cater efficiently for the rapid containerization of general cargo traffic, substitute modern grain handling capability for the present obsolete system, improve the skills and thus the capability for the THA staff through a manpower training program aided by technical assistance, and to rehabilitate the oil

TANZANIA – Continued

jetty which is at present in unsafe condition. These objectives, which focus attention on priority rehabilitation in a cost effective manner, are consistent with the underlying objectives in the Tanzanian transport sector. The project will also preserve Dar es Salaam's role as a major gateway port to Zambia, Burundi, Malawi, eastern Zaire, and Rwanda. The skills of technicians and managers of THA will be improved through training and technical assistance. Improvements in grain handling will increase the efficiency with which such grains reach markets in Tanzania and in hinterland countries.

Date Approved: December 18, 1984.

ENERGY: The Petroleum Sector Technical Assistance Project will consist of: (a) equipment in support of the petroleum distribution system, and a study to analyze and make recommendations to improve the system; (b) workover, rehabilitation, and protection of the Songo Songo gas wells, a gas utilization study to evaluate the gas for domestic markets, including a compressed natural gas (CNG) feasibility study, and a CNG demonstration scheme; (c) preparation of an exploration promotion package, and a Tanzania Petroleum Development Corporation (TPDC) minority share in a joint venture program of speculative seismic data acquisition and exploration study for promotion to the oil industry; and (d) technical assistance, staff training, and related equipment for the Department of Energy and TPDC institutional development.

Borrower/Implementing Agency: Tanzania, Tanzania Petroleum Development Corporation (TPDC).

Terms: $8.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $11.0 million equivalent.

Purpose and Benefits: The immediate project objective is to alleviate product distribution bottlenecks and wastages. In the longer term the project seeks to assist the Government, by building on information and analyses now available, to develop an overall strategy for: (a) the rehabilitation and rationalization of the product distribution system; (b) the utilization of Tanzania's indigenous gas resources; and (c) the maintenance of the private sector exploration effort. To assist the Government in developing and implementing this strategy, the project seeks to strengthen the technical capability of the newly formed Department of Energy in its supervisory function, and of the national petroleum company as the Government's principal petroleum sector implementing agency.

The project will put about 40 road tankers and about 55 retail and consumer product outlets back into operation in key agricultural areas, thus reducing costly delays in agricultural production and transportation. The project will save about US $500,000 annually by reducing product losses at bulk storage terminals in Dar es Salaam, and will also save about US $300,000 annually through the sale of liquid propane gas currently being flared at the Tiper Refinery. Essential measures are also being provided to protect the Songo Songo Reservoir, which is Tanzania's only proved hydrocarbon resource.

Date Approved: June 6, 1985.

THAILAND

URBANIZATION: The Regional Cities Development Project will consist of: (a) road and drainage improvements; (b) wastewater disposal; (c) solid waste collection; (d) flood protection; (e) new roads and bridges; (f) road maintenance equipment; (g) provision of a combined fishing port and commercial/industrial zone in one of the cities; and (h) institutional development through policy measures and technical assistance.

Borrower/Implementing Agency: Thailand, Municipalities of Chiang Mai, Khon Kaen, Nakhon Ratchasima, and Songkhla, Ministry of Interior.

Terms: $27.5 million equivalent IBRD loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $50.9 million equivalent.

Purpose and Benefits: The project will support the Government's regional development strategy by providing an improved infrastructural base and strengthening municipal administration to support growing economic opportunities in four important regional cities. The project will provide improvements to infrastructure and better enviromental conditions affecting 450,000 people in the four cities' municipal areas.

Date Approved: April 23, 1985.

ENERGY: The Bangchak Oil Refinery Project will consist of: (a) physical rehabilitation of the Bangchak refinery to increase capacity utilization to design levels and improve its operations; (b) implementation of energy consevation measures to optimize process unit operations; (c) improvement of the refinery infrastructure, including provision for flood protection; (d) environmental improvements, including installation of a sulphur plant; (e) project engineering, supervision, and management assistance to help Bangchak Petroleum Company Ltd. (BCP) in the implementation of the rehabilitation, energy conservation, and infrastructure upgrading programs; (f) training to improve the technical and managerial capabilities of the refinery staff; and (g) carrying out of a techno-economic study to determine further modifications required to ensure that the yield pattern of refineries in Thailand will be balanced with the demand profile for petroleum products in the country.

Borrower/Implementing Agency: Bangchak Petroleum Company Ltd. (BCP).

Terms: $85.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $143.8 million equivalent.

Purpose and Benefits: The project will assist the Government in improving the operations of the Bangchak refinery through a program of corporate restructuring and physical rehabilitation. The project will also help reduce the cost of meeting the petroleum requirements of Thailand in the short- to medium-term, and determine the modifications and/or expansion required in Thailand's refinery subsector to balance national demand and supply for petroleum products in the long run. The economic benefits that will be derived from the project will come from increased production of refined products resulting from higher capacity utilization, and savings from lower energy consumption. The rehabilitation and debottlenecking component will help arrest further mechanical deterioration of the facilities. It will also increase capacity utilization to about 95 percent. Without the project, capacity utilization is expected to drop from the present 70 percent to about 60 percent by 1988 and 55 percent by 1990. By 1990, the project is expected to allow additional production of more than 7 million bbl per year of refined products, and will save Thailand an estimated annual gross import cost of $214 million in real terms. The estimated economic rate of return is 28 percent.

Date Approved: May 21, 1985.

TOGO

EDUCATION: The Educational Improvement Project will improve the quality of education at the primary level through: (a) upgrading the skills of 5,850 primary teachers; (b) providing low-cost textbooks; and at the lower secondary school level through: (1) an integrated program upgrading the skills of about 1,250 math and science teachers at annual seminars; (2) the improvement of science facilities by rehabilitation of 12 existing, and construction of 12 new, laboratories and workshops for teacher training and prototypes of simple math and science equipment; (3) the conversion of 262 classrooms in 234 lower secondary schools into science rooms; and (e) provision of basic instructional materials and science equipment.

The project will also improve the management of education through assistance to: (a) the Educational Planning Division; (b) the School Construction and Maintenance Division; and (c) the Project Implementation Division.

Borrower/Implementing Agency: Togo, Ministry of National Education and Scientific Research.

Terms: $12.4 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $14.0 million equivalent.

Purpose and Benefits: The main benefit of the proposed project will be to improve educational quality and strengthen the efficiency of sectoral management. In the short-term, the professional skills of all primary teachers and of lower secondary math and science teachers would be upgraded, and facilities would be improved to provide a better learning environment. In the long-term, through institutional development and policy dialogue, the project would provide the sector with the capacity to carry out integrated sectoral planning, optimize the use of physical and teaching resources, establish a system of school maintenance by local communities, and plan and implement investment programs.

Date Approved: March 26, 1985.

NON-PROJECT: The Second Structural Adjustment Loan will support the second phase of the Government's structural adjustment program which aims at reversing the economic decline of the country and laying the foundation for sustainable growth over the medium-term, while continuing to improve the balance of payments and the public finance position. The second phase of the structural adjustment program is based on (1) real producer income increases through agricultural incentive reforms in order to expand production of export crops, together with a liberalization of foodcrop exports, in order to give farmers access to regional markets; (2) an action program to raise foodcrop output through upgrading extension services and improved input supply, (3) continued improvements in macroeconomic management, particularly in public investment programming and execution with primary emphasis on maintenance and rehabilitation of existing assets; (4) public enterprise sector reform through restructuring, privatization where possible, and closure if necessary of the bulk of Government-owned enterprises; and (5) preparation for an industrial promotion policy as part of the continuing structural adjustment process.

Borrower/Implementing Agency: Togo, Ministry of Planning and Industry.

Terms: $27.8 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum.

Purpose and Benefits: The principal benefits of this wide-ranging structural adjustment program are the expected improvements in the growth prospects of the Togolese economy with sustained and more widely distributed income effects, increased public savings and reductions in the country's budgetary and balance of payments deficits and external debt service burden. The macroeconomic management reforms and sector policy improvements would increase productivity and the return on investments. The main risks of the program include delays or slippage in completing the studies and analyses underlying the structural adjustment measures which may cause the Government to postpone critical program decisions. Also, the Government privatization program for the numerous state-owned enterprises may be hampered by a continuing poor international economic environment.

Date Approved: May 30, 1985.

TECHNICAL ASSISTANCE: The Third Technical Assistance Project will provide for: (a) long-term advisers (2 years) to the Ministries of Planning and Industry (2 positions), Rural Development (3 positions), State Enterprises (3 positions), and the High Commission for Tourism (1 position); (b) short-term consultancies (142 manmonths) for various studies connected with the implementation of the economic adjustment program and the proposed state enterprise restructuring measures; (c) training (on-the-job and formal) of the local staff; (d) fellowships, office equipment, microcomputers (4), and other supplies and vehicles.

Borrower/Implementing Agency: Togo, Ministry of Planning and Industry.

Terms: $6.2 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $6.8 million equivalent.

Purpose and Benefits: The project is designed to help the Government implement and consolidate the second phase of its structural adjustment program agreed with IDA under the second structural adjustment credit. It includes the provision of short and long-term technical assistance services and related logistical support to prepare and execute reform measures in macroeconomic management and policy formulation, planning of rural development and the restructuring and privatization of unprofitable or badly managed state-owned enterprises and hotels. Within the Government itself, the program would attempt to achieve a greater degree of efficiency of the public sector by strengthening the organization and management of key Ministries and the High Commission for Tourism. An important objective of the third technical assistance project is to intensify the training of Togolese staff with a view to assuring a gradual replacement of foreign advisers in the medium-term.

Date Approved: May 30, 1985.

TUNISIA

AGRICULTURE: The Northeast Agricultural Production Project will consist of removing the constraints to increased production of cereals and livestock products in Northwest Tunisia by strengthening extension and research in the area, and improving supportive infrastructure. The project will have an import substitution impact and increase farm incomes. The project will consist of provision of extension, research and livestock services, farm machinery testing, rural roads upgrading, project management, training, technical assistance, studies and credit for on-farm investments, seasonal inputs and input resale centers.

Borrower/Implementing Agency: Tunisia, National Bank of Tunisia (BNT).

Terms: $150 million equivalent IBRD loan. 17 years at the Bank's standard variable interest rate per annum. Total project cost: $37.9 million equivalent.

Purpose and Benefits: Incremental production including wheat, grain legumes, sheep meat, sheep wool, dairy cattle milk, dairy cattle meat, lamb meat and steer meat will amount to about 106,600 tons at full development; some 95 million additional forage units will also be produced as an input to livestock production. Net incremental foreign exchange earnings will be about $35.0 million per year. These production increases will stem from increases in cropped areas, animal units and yields due to incremental on-farm investments, the introduction of better farming practices and increased input use. Approximately 4,500 farm families and 24 Production Cooperatives (UCPS) are expected to benefit from the project. Based on six individual farm models, increases in net income are expected to range from $836 to $2,055 per year on smaller farms (14 ha) in lower rainfall areas, to from $5,946 to $24,209 per year on larger farms (106 ha) in higher rainfall areas. The income of a model UCP will increase from $65,760 to $160,591 per year. Financial rates of return range from 34 to over 50 percent. The project economic rate of return (ERR), with benefits based on incremental production, is estimated at 30 percent, with a net present value (NPV) of $34.3 million, discounted at 12 percent.

Date Approved: March 14, 1985.

INDUSTRY: The Export Industries Project will consist of a line of credit to BDET, BTKD and STUSID to enable these banks to make subloans for eligible export projects. The project will also include the establishment of an Export Promotion Fund and technical assistance to Compagnie Tunisienne d'Assurance de Commerce Exterieur (COTUNACE), the Government's newly established export credit insurance company.

Borrower/Implementing Agency: Tunisia, Banque de Developpement Economique de Tunisie (BDET), Banque Tuniso-Koweitienne de Developpement (BTKD), and Societe Tuniso-Seoudienne d'Investissement et de Developpement (STUSID).

Terms: $50.0 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $50.0 million equivalent.

Purpose and Benefits: The principal benefits of the project will be increased export earnings and job availability for Tunisia's rapidly growing labor force. Tunisia's export drive will be aided by the creation of COTUNACE, the export promotion fund, and also by the simplification of administrative procedures made in the context of the preparation of this loan. The Bank cooperation with the three development banks in sub-project appraisal and supervision will provide sound institutional growth for the institutions, and increase their focus on export oriented projects.

Date Approved: April 25, 1985.

INDUSTRY: The Second Electrical and Mechanical Project will consist of a $50 million line of credit to BDET, BTKD and STUSID, enabling these banks to make subloans for eligible Electrical and Mechanical Industries (EMI) projects. The project will also provide an equipment and technical assistance package of $2.1 million to Centre Techniques des Industries Mecaniques et Electriques (CETIME) to enable this institution to expand its services to entrepreneurs in the mechanics, metal tools for foundries, and electronics subsectors. It will also provide testing and control equipment and technical assistance for $1.9 million to the Institut National de la Normalisation et de la Propriete (INNORPI) to enable this institution to expand its services from technical standards formulation to testing and certification of instruments and equipment.

Borrower/Implementing Agency: Tunisia, BDET, BTKD, STUDSID, CETIME, and INNORPI.

Terms: $54.0 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $54.0 million equivalent.

Purpose and Benefits: The project will assist the further development of EMIs, thereby increasing output and foreign exchange earnings. Through realizing part of the country's potential in EMI development, this financing will help contribute to the strengthening of this priority subsector. Simultaneously, the project should help alleviate some of the pressure on the country's balance of payments, since some import substitution and some exports should result from the development of EMIs in the country. The project will continue institution building efforts with BDET, and will act as a catalyst in securing resources from financial markets. The project will contribute in a significant manner to strengthening further the recently created development banks in project appraisal and supervision.

Date Approved: May 23, 1985.

AGRICULTURE: The Irrigation Management Improvement Project will consist of: (a) equipment and vehicles for operations and maintenance (O&M) activities and safety stocks of spare parts, rehabilitation of hydro/electromechanical equipment, and execution of rehabilitation works; (b) setting up an efficient management information system and defining improved planning, financial and operating procedures in Irrigation Development Offices (OMVs), upgrading the coordination between OMVs and their supervisory Ministries, strengthening Water User Associations, introducing adequate pricing polices for OMVs' services to promote a more rational use of resources and financial autonomy; (c) technical assistance and training; and (d) on-farm development.

Borrower/Implementing Agency: Tunisia, Irrigation Development Offices (OMVs).

Terms: $22.0 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $61.0 million equivalent.

Purpose and Benefits: The project will reduce the need for major costly investments for the rehabilitation of existing irrigation systems by improving maintenance operations; ensure the sustainability of agricultural development in public irrigation schemes; improve the incomes of about 42,000 farmers and create employment opportunities; and aim at eliminating the OMVs' operating deficits. The economic rate of return is estimated at 29 percent.

Date Approved: June 6, 1985.

AGRICULTURE: The Gabes Irrigation Project will rehabilitate 42 selected oases of the Gabes Governorate, expand three existing oases and create a new one. To this end, the Project will include: (a) replacement of deep wells and provision of pumping equipment, and construction of piped water distribution systems; (b) orchard and crop reconversion and intensification; (c) provision of equipment and staff to the executing agency, the Gabes and Medenine Irrigation Development Office (OMVGM); (d) provision of technical assistance to OMVGM and to existing farmer associations; and (e) provision of credit to farmers for onfarm development.

Borrower/Implementing Agency: Tunisia, Gabes and Medenine Irrigation Development Office.

Terms: $27.7 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $58.3 million equivalent.

Purpose and Benefits: Incremental production under the project of dates, pmegranates, apricots, apples, pears, peaches, summer and winter vegetables, forage and new crops such as table olives, pistachios and late season potatoes will amount to about 70,000 tons at full development. The project will also create about 1,900 full-time jobs in argiculture. Based on farm models representing the different farming systems found in the area, increases in farm income range from about 100 to about 900 percent; the financial rate of return to the farmers for all farm models is over 50 percent. The project economic rate of return (ERR), with benefits based on incremental production, is estimated at 21 percent.

Date Approved: July 16, 1985.

TURKEY

TECHNICAL ASSISTANCE: The Cukurova Region Urban Engineering Project will consist of: (a) the establishment and maintenance of a Project Coordination Unit to monitor and supervise project activities; (b) institutional, feasibility and design studies for the Cukurova Region Urban Development Project (CRUDP), including regional urban growth management planning, municipal growth management, municipal financial management and local government staff training; (c) a program to complete the cadastral survey of the Cukurova Region and a study to define a program to accelerate completion of the nationwide cadastre; and (d) special studies.

Borrower/Implementing Agency: Turkey, State Planning Organization.

Terms: $9.2 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $10.7 million equivalent.

Purpose and Benefits: The engineering project supports the Government's objectives in the urban sector to improve the management and resource mobilization of local governments, provide adequate infrastructure and services, and reduce housing shortages. It represents an important step in the Government's effort to resolve some of the institutional issues associated with decentralization. It would also assist in formulating appropriate regional and urban development policies which may be replicable on a nationwide basis.

Date Approved: May 9, 1985.

AGRICULTURE: The Third Ports Project will consist of: (a) specialized equipment for handling containers at four selected ports (Izmir, Haydarpasa, Mersin, and Trabzon); (b) renewal of high priority items of floating equipment required for the maintenance and construction of port facilities; (c) civil works for container berth facilities; and (d) technical assistance for introducing container handling technology including documentation, operating procedures, maintenance, and training.

Borrower/Implementing Agency: Turkey, Turkish State Railways and Turkish Maritime Organization.

Terms: $134.5 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $174.0 million equivalent.

Purpose and Benefits: The project will provide assistance to Turkey in the acquisition and use of modern container facilities and procedures. These will facilitate increased exports of industrial and agricultural products and will generate foreign exchange savings on sea freight rates for both exports and imports. Moreover, the development of these modern facilities will provide Turkey with additional foreign exchange earnings accruing to Turkish shippers, road transport companies, and port agencies by serving a growing demand for international transit traffic.

Date Approved: May 9, 1985.

EDUCATION: The Industrial Schools Project will consist of: (a) provision of equipment and refurbishment for 39 industrial schools; (b) technical assistance for curriculum and program development, including a specialist to assist in project management and overseas fellowship training for instructors; (c) translation and production of educational materials and technical assistance for textbook translation, design and production; and (d) special studies in program development as well as for cost control and recovery in the industrial schools system.

Borrower/Implementing Agency: Turkey, Department of Technical and Vocational Education.

Terms: $57.7 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $72.7 million equivalent.

Purpose and Benefits: The project will help meet the demand for skilled workers and junior technicians by producing some 2,500 additional graduates annually from 1991. It would increase access to training for low-income level groups in outlying provinces and is expected to result in an increase in the enrollment of women in the industrial schools system. It will also strengthen the management and planning capacity of the Ministry of Education and would help develop curricula and new industrial training programs in the industrial schools.

Date Approved: May 9, 1985.

INDUSTRY: The Pulp and Paper Rehabilitation Project will consist of: (a) the rehabilitation of the Aksu, Dalaman and Afyon mills; (b) purchase of critical spare parts for all of the Turkish Pulp and Paper Enterprise's (SEKA) mills; (c) identification and implementation of various energy saving improvements for all of SEKA's mills; and (d) technical assistance to the Government to undertake a review of the pulp and paper subsector as well as a study of privatization possibilities for SEKA, and to SEKA for improving operational procedures and strengthening its management structure.

Borrower/Implementing Agency: Turkey, Turkish Pulp and Paper Enterprise (SEKA).

Terms: $55.1 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $86.8 million equivalent.

Purpose and Benefits: The project will reduce imports of newsprint and short-fiber bleach pulp and increase the potential for exporting selected grades. When fully operational, the project will generate net foreign exchange savings of about $29.0 million per year and reduce energy consumption. Unquantified benefits to be derived from the technical assistance component include improved sectoral policies and identification of strategies for the future development of the pulp and paper subsector encompassing both the public and private sectors; it would also strengthen SEKA's corporate structure and improve its operational procedures. The estimated financial rate of return on investment in the Aksu, Dalaman and Afyon mills is higher than could be expected for investments in new pulp and paper projects. The estimated economic rate of return for the three mills combined is 41 percent.

Date Approved: May 16, 1985.

ENERGY: The Fourth TEK Transmission Project will support the further expansion of Turkey's transmission grid to accommodate increased load and generation capacity. It will support the construction of about 800 km of 380-kV transmission lines and transformer substations at the 380-kV and 154-kV voltage levels with a total installed capacity of about 5400 MVA. The project will also include a tower testing facility, line stringing equipment, consulting services and training.

Borrower/Implementing Agency: Turkish Electricity Authority (TEK).

Terms: $142.0 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $208.0 million equivalent.

Purpose and Benefits: The project is the least-cost means of interconnecting new generation plants and is part of TEK's long-term transmission expansion plan. The evaluation of transmission expansion alternatives is updated regularly to reflect experience with the initial network of lines, as well as changes in the development of TEK's interconnected system. The latest technical and economic evaluation in January 1985, which was discussed with the Bank, confirmed that the lines included in the project will be the least-cost means of extending the 380-kV networks to interconnect new plants coming on line. The return on the program is estimated at 11.2 percent.

Date Approved: June 18, 1985.

AGRICULTURE: The Agricultural Sector Adjustment Loan will support the Government's agricultural sector adjustment program during the three-year period 1985-87. The principal objective of the program is the transition to a self-reliant, financially independent and responsive production and marketing system in order to stimulate exports and reattain historical growth. The main instruments will be reforms to (a) reduce producer subsidization while maintaining adequate incentives; (b) improve the input distribution, marketing and credit systems; (c) improve the public investment allocation system in the sector, particularly for the Core Irrigation and Drainage Investment Program; (d) enhance the research, extension, protection and disease control services; and (e) strengthen management, planning, policy analysis and public expenditure programming for the sector.

The loan will finance a portion of the imported inputs, capital goods, training, and consulting services needed for the adjustment program.

Borrower/Implementing Agency: Turkey, The Ministry of Agriculture, Forestry and Rural Affairs (MAFRA), the State Planning Organization (SPO), the State Hydraulic Works (DSI), the Turkish Agricultural Enterprise (TIGEM), the Agricultural Supply Organization (TZDK), and the Soil Products Office (TMO).

Terms: $300 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $2,353.2 million equivalent.

Purpose and Benefits: The appropriateness of agricultural sector adjustment lending for Turkey at this juncture is grounded in the combination of the excellent performance potential for Turkish agriculture; Government's resolve to strengthen at the sectoral level the policy and institutional reforms needed for the export led growth strategy and economic stabilization and liberalization policies; Government's past actions and current initiatives to revise agricultural policies at the macro and sectoral levels to conform with the requisites of the structural adjustment program; the package of the agricultural sector adjustment loan reforms, which would enhance current efforts to revitalize public institutions serving agriculture; the gradual withdrawal of direct intervention in production, marketing and input supply activities which could be more effectively carried out by private initiative; and the continued need for supplemental foreign exchange resources in 1985-87 to finance imports critical for sustaining primary production and sectoral investment. The reforms agreed under the proposed loan would also foster a more efficient allocation of scarce public investment resources and improvements in sectoral economic and financial policies. These measures are expected to lead to more rapid agricultural sector growth and an increased contribution of the sector to exports in line with Turkey's comparative advantage, while reducing the burden of subsidies on the Government budget.

Date Approved: June 18, 1985.

ENERGY: The Power System Operations Assistance Project will consist of financing: (a) tools, work and transport equipment, instruments and material for rehabilitation and maintenance of thermal and hydroelectric power plants, and transmission and distribution systems; (b) telecontrol equipment for load management in three major cities; (c) capacitor banks for reactive power compensation; and (d) technical assistance and training.

Borrower/Implementing Agency: Turkish Electricity Authority (TEK).

Terms: $140.0 million equivalent IBRD loan; 17 years at the Bank's standard variable interest rate per annum. Total project cost: $162.0 million equivalent.

Purpose and Benefits: The project is a least cost means to bring on stream additional capacity through efficiency improvements. Moreover, because of improvements in fuel efficiency, there would be substantial savings in fuel cost. Measurable benefits of the project would include: (a) fuel efficiency improvements of at least one percentage point in six thermal power plants; (b) an increase in effective generation capacity through investments in power factor correction and improvements in the system's reliability; (c) an increase in plant availability; and (d) a decrease in forced outage rates in the transmission and distribution systems. The economic rate of return for the project is estimated at 11.2 percent.

Date Approved: July 2, 1985.

UGANDA

AGRICULTURE: The Agricultural Development Project will consist of: (a) the provision of agricultural livestock, and fisheries inputs, (b) the strengthening of extension services to advise on input use and technology, and (c) the provision of support for research and surveys to generate new information for planning and extension. The project will include: (a) the procurment of input supplies and the strengthening of input distribution management, (b) the provision of civil works, vehicles, equipment, technical assistance, training and operating expenses for research and surveys of fisheries resources, tsetse fly control, and agricultural adaptive research, and (c) the strengthening of agricultural extension as well as monitoring and evaluation services.

Borrower/Implementing Agency: Uganda, Ministry of Agricultural and Forestry (MAF) and Ministry of Animal Industries (MAIF).

Terms: $10.0 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $31.4 million equivalent.

Purpose and Benefits: The main beneficiaries will be smallholder farmers and fishermen. Given the homogeneity of the seven districts under the project with regard to farm size and economic status of the inhabitants, most of the 430,000 families in the project area are likely to benefit from the supply of inputs because the majority are smallholders and own some livestock. The improved services will also be aimed at the smallholder. The 47,000 families in Sorotic District will be expected to benefit substantially from the improved extension methodology to be introduced there. Investment costs, including those of the research and survey components, have been included in the calculation, which shows that total production will have to increase by 5 percent above the pre-project level by the fourth year of the project and be maintained at that level to achieve an estimated return equivalent to 15 percent.

Date Approved: January 8, 1985.

ENERGY: The Second Power Project will consist of: (a) at the Owen Falls Power Station, ten turbogenerator units will be rehabilitated, and structural repairs will be implemented to the dam and to the powerhouse. Furthermore, electrical and mechanical equipment will be rehabilitated, the workshop will be refurbished, and tools and equipment for maintenance will be provided; (b) the Transmission and Distribution Network will be rehabilitated, one of the transmission lines between Owen Falls and Kampala will be uprated, and the transmission lines between Kampala and Nkenda, and between Tororo and Lira will be strengthened; (c) these components will be supported through the provision of vehicles, tools and equipment for maintenance and repair services and through the rehabilitation of UEB's Staff Training Center and UEB's operational buildings and staff housing and the implementation of a Training Study; and (d) the project will also include studies of UEB's tariff structure and level and billing and collection system, and the provision of a computer for UEB.

Borrower/Implementing Agency: Uganda, Uganda Electricity Board (UEB).

Terms: $28.8 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $73.4 million equivalent.

Purpose and Benefits: The project will prevent the development a bottleneck in power supplies that will hinder economic recovery in the medium term. It will also strengthen UEB's operational capability and contribute to future development of the power system through engineering and design work for the next hydroelectric project to be built in Uganda. The economic rate of return is estimated to be 17 percent.

Date Approved: March 19, 1985.

ENERGY: The Petroleum Exploration Promotion Project will consist of: (a) petroleum exploration consultants who will provide a wide range of services; (b) a report/meeting to promote prospective acreage to oil companies; (c) rehabilitation of the GSMD; (d) project administration, including auditing of project accounts and travel related to petroleum exploration promotion; and (e) training abroad of Ugandan staff in petroleum geology and interpretation of geophysical surveys. The survey component will include: (a) geophysical surveys; (b) geologic field work, as appropriate, as well as geochemical studies; and (c) photogeologic studies.

Borrower/Implementing Agency: Uganda, Ministry of Lands, Mineral and Water Resources (MLMWR).

Terms: $5.1 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $6.1 million equivalent.

Purpose and Benefits: The project will assist Uganda in attracting oil companies to take exploration permits in an area where there has been little exploration activity. If the search for hydrocarbons is successful, the project will contribute to meeting part of Uganda's petroleum needs from domestic sources and could generate export earnings. The project will support the Government's efforts to attract oil companies to explore for hydrocarbons. It also will strengthen the capability of the Geological Survey and Mines Department (GSMD) in the MLMWR to administer and supervise exploration promotion, exploration, and development of petroleum resources.

Date Approved: March 19, 1985.

URUGUAY

ENERGY: The Power Engineering Project will consist of: (a) feasibility study for the rehabilitation of the Gabriel Terra hydroplant; (b) distribution system study; (c) operational planning study; (d) training program for managerial level officers; (e) installation of meters to implement a power tariff structure based on marginal cost criteria; and (f) purchase of instruments and materials for distribution system maintenance and monitoring the safety of the Gabriel Terra Dam.

Borrower/Implementing Agency: National Power and Transmission Company (UTE).

Terms: $4.0 million equivalent IBRD loan; 13 years at the Bank's standard variable interest rate per annum. Total project cost: $5.26 million.

Purpose and Benefits: The loan will assist the National Power and Transmission Company (UTE) to meet power demand in a more efficient and economic way, by: (a) developing a new simulation model in order to minimize UTE's power generation costs; developing an efficient planning framework for the distribution system and reducing system losses; (c) improving quality of management; and (d) rationalizing electricity use by implementing a tariff structure based on marginal cost criteria.

Date Approved: January 8, 1985.

URUGUAY – Continued

ENERGY: The Power System Rehabilitation Project will consist of: (a) rehabilitation of the 128 MW Gabriel Terra Hydro Plant; (b) extension of the 500 KV transmission system to the eastern part of the country; (c) extension of the 500 KV and 150 KV transmission systems in Montevideo; (d) remodeling and upgrading the 30 KV underground network in Montevideo; (e) and consulting services for project management and supervision.

Borrower/Implementing Agency: Administracion Nacional de Usinas y Transmisiones Electricas (UTE).

Terms: $45.2 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $138.1 million equivalent.

Purpose and Benefits: (a) to reduce Uruguay's fuel consumption by strengthening the operating efficiency of installed hydroelectric generation capacity; (b) to improve the reliability of service in the country and to connect areas with growing economic activity to the system grid; and (c) to strengthen UTE's financial position and managerial practices. The estimated economic rate of return is 11.9 percent.

Date Approved: September 19, 1985.

WESTERN SAMOA

NON-PROJECT: The Development Bank of Western Samoa Project will consist of financing individual subprojects in the agricultural, industrial and service sectors. In addition, technical assistance will be provided to undertake an industrial sector survey, and engage experts to be employed by DBWS in the field of project promotion, agricultural credit and accounting and management information systems. The cofinancing arrangement will be agreed with Asian Development Bank (ADB) in accordance with a Letter of Credit Adminstration under which ADB will be the lead cofinancing institution and will be primarily responsible for the supervision of the project.

Borrower/Implementing Agency: Western Samoa, Development Bank of Western Samoa (DBWS).

Terms: $2.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $14.9 million equivalent.

Purpose and Benefits: Over the three year estimated commitment period of the ADB loan and IDA credit, it is estimated that 1,100 sub-projects will be financed and that the project will create significant incremental employment and generate foreign exchange savings and earnings. The project also provides for a number of measures designed to support the institutional development of DBWS and will also contribute to an improved policy environment for industrial investment.

Date Approved: April 23, 1985.

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

AGRICULTURE: The Agricultural Research and Extension Project will consist of: (a) strengthening the Department of Research and Extension through internal reorganization and provision of technical assistance; (b) strengthening research activities through internal reorganization, provision of technical assistance, training and funds to equip the research stations; and (c) establishing an extension service through provision of technical assistance, training and funds necessary for an appropriate infrastructure.

Borrower/Implementing Agency: People's Democratic Republic of Yemen.

Terms: $5.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $7.0 million equivalent.

Purpose and Benefits: The three main objectives of the project are to strenthen the research and extension services in PDRY; to make these more cost-effective; and to increase the utility of research activities. The project will also establish priority research programs. These will focus on developing those commodities for which PDRY has a comparative advantage, or basic foods whose production the government seeks to expand. In addition, the project will establish linkages between research, extension and the farming community to encourage a two-way flow of information on technological developments.

Date Approved: March 14, 1985.

TRANSPORTATION: The Fourth Highways Project will consist of: (a) construction and rehabilitation of road maintenance facilities; (b) urgently needed road maintenance and workshop equipment and communication and management systems equipment for road maintenance planning, accounting and operations; (c) technical assistance for road maintenance, planning, training and operations; (d) road construction; and (e) consultancy services.

Borrower/Implementing Agency: People's Democratic Republic of Yemen, Ministry of Construction.

Terms: $14.4 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $39.0 million equivalent.

Purpose and Benefits: The road maintenance program, of which Phase I included in this project is an integral part, will result in savings to the Government from reducing costly repairs, and vehicle operators will save from lower operating costs. The benefit/cost ratio for the five-year routine maintenance program (Phases I and II) including reseals is estimated at 2:1.

Construction of the Nisab-Wadi Beihan Road would reduce vehicle operating costs for long distance traffic by 28 to 36 percent, and for local traffic by 36 to 42 percent. By 1992, the effect of additional traffic generation casused by the transport cost reductions is expected to increase the long distance traffic by about 40 percent and local traffic by 70 percent above normal growth. The new road also would allow the use of buses and passenger cars which cannot operate on the existing tracks. As a result, the forecast passenger traffic would be carried by fewer vehicles and at lower costs. Construction of the road will also reduce agricultural spoilage which currently results from the extended journeys and rough rides. The economic rate of return to the new road is estimated at 15 percent. The sensitivity of the economic rate of return was tested by assuming across the board: (a) 25 percent lower benefits, and (b) 20 percent higher construction costs. Under these pessimistic assumptions, the economic rates or return would be 12 and 13 percent respectively.

Date Approved: June 20, 1985.

YEMEN ARAB REPUBLIC

INDUSTRY: The Second Industrial Development Project will consist of: (a) consultants services and training to improve the Industrial Bank of Yemen's (IBY) capacity to prepare, promote, appraise, and supervise industrial projects, and to assist entrepreneurs during their implementation; (b) a pilot component for training of industrial managers through overseas short-term and on-the-job training courses; and (c) IBY's line of credit to provide part of IBY's foreign exchange resource requirements during the 1985 and 1986 period.

Borrower/Implementing Agency: Yemen Arab Republic, Industrial Bank of Yemen (IBY).

Terms: $8.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $18.2 million equivalent.

Purpose and Benefits: The principal objective of the project is institutional, namely to strengthen the Industrial Bank of Yemen's (IBY) capacity to be more responsive to the technical and financial needs of private industry in the Yemen Arab Republic (YAR). It will help identify potential investment opportunities in the YAR, and prepare feasibility studies. It will strengthen IBY's institutional capability to promote and finance industrial projects through techncial assistance, training, and other measures. It will also provide scarce foreign exchange for investment in industry.

The project will strengthen IBY's institutional capability to play an effective development role in the industrial sector. The project identification, preparation, and promotion activity will lead to the financing of viable industrial projects, which will benefit not only the IBY but also the YAR in general.

Date Approved: February 8, 1985.

TECHNICAL ASSISTANCE: The Technical Assistance Project will consist of: 13 staff-years of specialist's services; about 27 staff-years of overseas fellowship training; English language training, mainly in-country, for about 16 nationals; and office and data processing equipment, to assist in strengthening the Central Planning Organization (CPO) in five main areas of activity: (a) national economic planning and public investment programming; (b) project evaluation and approval (including approval of contracts); (c) follow-up of investment programs; (d) management of technical assistance; and (e) developing and managing a national data bank.

Borrower/Implementing Agency: Yemen Arab Republic, Central Planning Organization (CPO).

Terms: $4.7 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $5.38 million equivalent.

Purpose and Benefits: The major benefit that will accrue to Yemen Arab Republic (YAR) under the project, which complements assistance from other aid donors, would be an enhanced local capability for economic planning and plan follow-up. The project will enable CPO to (a) play a more dynamic role in coordinating the country's development efforts; (b) monitor projects in a timely and effective manner; (c) provide support and coordination in the management of technical assistance; and (d) develop and maintain a national data bank as a basis for sectoral and overall economic planning. The benefits to the line agencies would be considerable, arising from more effective coordination between them and CPO in sectoral and investment planning and from the improvements to project processing by CPO. The line agencies would also receive advice and assistance under the project to improve their own procedures for investment planning and project processing, and to manage technical assistance. Finally, the project would be expected to lead to improved cost control and procurement practices in YAR, applicable to all sectors.

Date Approved: March 7, 1985.

AGRICULTURE: The Wadi Al-Jawf Agricultural Development Project will consist of: (a) rehabilitation of perennial gravity irrigation on about 3,100 ha of service area, of which 1,350 ha will be cropped annually; (b) well irrigation on about 1,659 ha; (c) demonstration of improved water and crop management practices on well-irrigated and gravity irrigation farms; (d) completion of rehabilitation of spate irrigation areas; (e) establishment of extension and veterinary services; (f) establishment of a nursery and agricultural research station; (g) provision of short- and medium-term credit; (h) technical assistance and training; (i) construction of 45 km of feeder roads and 20 water supply schemes; and (j) further studies for a possible second phase project.

Borrower/Implementing Agency: Yemen Arab Republic, Ministry of Agriculture and Fisheries (MAF).

Terms: $10.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $38.0 million equivalent.

Purpose and Benefits: The key objectives of the project will be to improve agricultural productivity and farm incomes in the Al-Jawf Governorate, by making the best use of available land and water resources and introduction of modern technical packages for increasing crop yields, and to achieve balanced geographical distribution in the development of agriculture across the country. The project will primarily improve the income and living standards of about 1,700 farm households or about 10,000 people by improving irrigation, development of infrastructure and providing them extension and credit facilities. An additional 1,200 farmers will benefit indirectly from the extension service to be established under the project. The increased production of cereals, fresh fruits and vegetables will improve caloric intake and nutrition. The project will also provide potable water to about 30,000 people and help reduce the incidence of water-borne diseases. Feeder roads will facilitate marketing and also help accelerate technological and social changes in the Governorate. The economic rate of return is estimated at 13 percent.

Date Approved: March 14, 1985.

YUGOSLAVIA

ENERGY: The Visegrad Hydroelectric Project will consist of: (a) the construction of a concrete gravity dam across the Drina river; (b) the installation of three hydro turbine-generator units each of 105-MW, with inlet and outlet structures; (c) the construction of a 400-kV step-up transformer and a transmission line to connect the plant to the national power grid; (d) technical assistance in construction supervision; and (e) training in financial management.

Borrower/Implementing Agency: Yugoslavia, Elektoprivreda Bosne: Herzegovine-Sarajevo.

Terms: $125.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $284.3 million equivalent.

Purpose and Benefits: The project, identified as part of the least cost investment program for the national power system, will help assure a firm source of low-cost and reliable electric generating capacity to meet the growth in power demand in the Yugoslav integrated power system and help reduce the dependence on imported sources of energy. It will also assist in strengthening EPBIH's financial management and planning. As a result of the difficulty in measuring benefits of power supply in existing markets, incremental revenues were used as proxy for measuring benefits. On this basis, the rate of return on the time-slice of country-wide power investment program including the project is estimated to be about 10 percent which reflects the opportunity cost of capital in Yugoslavia and the adequacy of tariffs set at LRMC of supply. The project will also yield additional unquantifiable benefits such as public recreation and fishing on the lake to be formed by the project.

Date Approved: April 30, 1985.

AGRICULTURE: The Bosnia-Herzegovina Forestry Project will consist of: (a) modernization of harvesting operations, covering construction of logging truck roads and the supply of logging equipment; (b) installations for debarking equipment at selected sawmilling Basic Organizations of Associated Labor (BOAL); and (c) forestry sector improvement, including rehabilitation and equipping of nurseries; provision of forestry research equipment, fellowships and study tours; provision for consulting services to assist in the review of the existing genetic research and seed supply programs and, if warranted on the basis of said review, construction of a seed processing facility.

Borrower/Implementing Agency: Privredna Banka Sarajevo-Udruzena Banka (PBS).

Terms: $35.0 million equivalent IBRD loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $94.8 million equivalent.

Purpose and Benefits: Project benefits will derive from: (a) preventing a potential decline in manageable output over the next ten years; (b) increasing production at the end of a six-year development period by nearly 10 percent above current levels; (c) avoiding increases in machine repair frequency and decline in machine productivity and (d) maintaining or expanding current levels of employment in the forestry and forestry-related industries. The economic rate of return is estimated at over 45 percent.

Date Approved: June 6, 1985.

ENERGY: The First Petroleum Sector Project will consist of: (a) the expansion of exploration activities to the more complex and deeper plays that hold the potential for increasing the country's future recoverable reserves of hydrocarbons; (b) the acceleration of exploration activity by promoting to international petroleum companies exploration areas that are prospective but are insufficiently explored due to the inadequate resources of the local companies; (c) the strengthening of the technical capabilities of Yugoslav oil companies to develop gas reserves under high pressure and temperature, and containing corrosive gases; and (d) the introduction of an underground gas storage system to reduce problems related to seasonal demand of gas.

Borrower/Implementing Agency: INA – Naftaplin, Nafta-Gas, and Privredna Banka Sarajevo-Udruzena Banka (PBS).

Terms: $92.5 million equivalent IBRD loan; 15 percent years at the Bank's standard variable interest rate per annum. Total project cost: $607.9 million equivalent.

Purpose and Benefits: The project supports a cross section of the hydrocarbon exploration and production activities in the three Republics of Yugoslavia where active exploration efforts are currently in progress. Its objective is to improve the pace of development of indigenous energy resources in order to reduce the country's dependence on imported energy and thereby alleviate the major strain on Yugoslavia's balance of payments in recent years.

Date Approved: June 27, 1985.

ZAIRE

AGRICULTURE: The Lulua Agriucltural Development Project will consist of: (a) reorientation, training, and logistical support for the agricultural extension service; (b) a field trials program; (c) production of improved seed and planting materials; (d) provision of agricultural inputs e.g., fertilizers, insecticides, tools, improved seed; (e) credit for purchase of trucks to be used in agricultural marketing operations; (f) rehabilitation and maintenance of roads, bridges, and ferries, and (g) establishment of a Project Unit.

Borrower/Implementing Agency: Zaire, Department of Argicultural and Rural Development Authority, Roads Authority (OR), Development Finance Company (SOFIDE).

Terms: $12.5 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $21.9 million equivalent.

Purpose and Benefits: The project will benefit about 80,000 low-income farmers in the project area. Production of maize, cassava, groundnuts, cowpeas, paddy, and soya bean will increase substantially, thereby assisting Zaire in its goal of achieving food self-sufficiency. Improved communications, resulting from project activities, will give area residents better access to goods and services. Other project benefits will include stronger agricultural development services and reduction in the rate of forest destruction in the project area through improved soil conservation practices.

Date Approved: January 8, 1985.

TRANSPORTATION: The Sixth Highway Project will consist of: (a) routine and periodic maintenance of the main roads (including ferry operations) through the provision of equipment, spare parts, materials and supplies; (b) bridge repair and maintenance; (c) construction of access ramps for ferries; (d) strengthening of the Office des Routes (OR) management through technical assistance, consulting services and office equipment; and (e) training.

Borrower/Implementing Agency: Zaire, Office des Routes.

Terms: $55.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $66.38 million equivalent.

Purpose and Benefits: The project's main objectives will be to help continue and consolidate the country-wide bridge, road and ferry rehabilitation and maintenance programs, and strengthen the administration and training of Office des Routes, the public agency in charge of the main road network. The main project benefits will be lower vehicle operating costs, better use of vehicles because of higher speed, and higher reliability of road transport. The economic rate of return is estimated at 40 percent.

Date Approved: June 13, 1985.

AGRICULTURE: The Seeds Project will consist of: (a) establishment and operation of a National Seed Bureau; (b) assistance to research stations for the production of base-seeds; (c) establishment and operation of five seed farms; (d) assistance to other existing seed farms; (e) development of a seed quality control system; (f) training; (g) special studies and pilot projects; and (h) technical assistance services.

Borrower/Implementing Agency: Zaire, Department of Agriculture and Rural Development.

Terms: $14.9 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $21.25 million equivalent.

Purpose and Benefits: The project will improve yields of food producing farmers directly by providing seeds and cuttings of higher production potential, and indirectly by increasing the cost-effectiveness of other inputs such as fertilizer and labor. The project will thus improve the annual income of about 10 percent of the small farmers in Zaire. The project will assist Zaire in its goal of achieving food self-sufficiency. The economic rate of return is estimated at 44 percent.

Date Approved: June 13, 1985.

ZAMBIA

AGRICULTURE: The Fishing Project will consist of: (a) supporting the Government's strategy for agricultural development by increasing fish supplies; and strengthening two key institutions in the sector. Specifically, it will provide: credit to artisanal and commercial fishermen for fish production; credit for fish marketing facilities; foreign exchange assistance for the manufacturing of fishing nets; and technical assistance.

Borrower/Implementing Agency: Zambia, Zambia Agricultural Development Bank (ZADB), Nkwai; Manufacturing Company. Department of Fisheries (DOF).

Terms: $7.1 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $10.6 million equivalent.

Purpose and Benefits: The project is part of the Government's strategy of diversifying the economy. It will increase domestic fish supplies, reduce imports and increase personal incomes and employment in rural areas. Fish supplies will increase by about 7,000 tons (10 percent) over the present level to maintain consumption at about 10 kg which will fall to about 9 kg per capita without the project. The project will directly benefit about 1,200 artisanal owner-fisherman and about 2,000 'helper' whose average family incomes will increase from about K 1,400 to K 2,800 over the project period. By focussing its support on the private sector, the project will limit inefficient, uncompetitive and financially unviable investments in commercial ventures by public sector enterprises. Financial and technical assistance to ZADB during its early development phase will strengthen it and promote its development into a viable credit institution. Support for DOF is expected to result in improved fish stock management and provide a basis for future development and investment decisions. The project's economic rate of return is estimated at 26 percent.

Date Approved: November 27, 1984.

AGRICULTURE: The Agricultural Rehabilitation Project will consist of: (a) farm machinery and implements, agrochemicals, miscellaneous items, e.g., agricultural hand tools, packaging materials for grains, improved seeds, small-scale irrigation pumps and fittings, and about 27 man-months of consultant services to carry out an agricultural marketing study. The project will further Zambia's economic recovery and diversification efforts by supplying critical agricultural inputs needed to restore production levels and establish the foundation for future production increases. It will support policy and institutional reforms in the agricultural sector.

Borrower/Implementing Agency: Zambia, Bank of Zambia (BOZ).

Terms: $25.0 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $72.3 million equivalent.

Purpose and Benefits: The project will help restore the productivity and efficiency of the agricultural sector, thereby making Zambia more self-sufficient in agricultural products. It will support the country's strategy of output and export diversification, improve the balance of payments and lay the groundwork for employment expansion. The main risks are delays or failure to carry out the envisaged policy and institutional reforms; inadequate availability of complementary inputs not provided by the project, particularly fertilizers; and recurrence of drought. The Government continues to demonstrate the political will to implement unpopular measures; and in view of the difficult economic prospects facing the country, it is realistic to expect that the reforms supported by this project will be implemented. Planned efforts to increase domestic production and the expected continued availability of bilateral support for imports should reduce the likelihood of serious shortages of fertilizer. Research is underway to develop more drought resistant crop varieties and farming techniques. The economic rate of return is estimated to be 59 percent.

Date Approved: January 29, 1985.

TRANSPORTATION: The Fourth Railway Project will consist of: (a) track rehabilitation; (b) signalling and telecommunications; (c) locomotives and rolling stock; (d) workshops and equipment; (e) spare parts; (f) operations facilities; (g) training; and (h) technical assistance and studies.

Borrower/Implementing Agency: Zambia, Zambia Railways Limited.

Terms: $20.0 million equivalent IDA credit. 50 years with a 0.75 percent service charge per annum. Total project cost: $83.1 million equivalent.

Purpose and Benefits: The project will increase the operating efficiency of the railway in Zambia, thereby lowering the cost of transporting goods within the country and to and from the major ports handling the country's imports and exports. In addition to the general benefits derived from greater efficiency, Zambia's goods will become more competitive in foreign markets and thus the project will contribute to the export diversification effort. The economic rate of return is estimated at 22 percent.

Date Approved: March 28, 1985.

ENERGY: The Tazama Pipeline Rehabilitation Engineering Project will carry out a magnetic (or intelligence pig) survey of the 1,700 km Tazama Pipeline between Dar es Salaam port and Ndola in Zambia to determine the extent of damage caused by corrosion. Progressive development of serious leaks threatens the pipeline's continued operation as the sole means of transporting feedstock to Zambia's INDENI Refinery. Apart from the survey, the project will: (a) examine management; (b) recommend initial measures to meet urgent operational and maintenance needs; and (c) carry out an engineering investigation and prepare an implementation program and cost estimates for the pipeline's rehabilitation.

Borrower/Implementing Agency: Zambia, Tazama Pipelines Limited.

Terms: $3.1 million equivalent IDA credit; 50 years with a 0.75 percent service charge per annum. Total project cost: $4.1 million equivalent.

Purpose and Benefits: The project's systematic approach to preparing the pipeline's rehabilitation and the proposals for putting the pipeline company on a sounder operational and management footing will help safeguard the vital supply of feedstock to Zambia's only refinery at a time when continued supply of petroleum imports is essential to the economy. If the pipeline ceased to operate, the economy will be burdened with an additional annual freight cost of $24.0 million. The continued viability of the pipeline operation is also important in terms of employment of a significant number of Zambians and Tanzanians, duties and service charges paid at the port of Dar es Salaam, and the potential supply of the final refined products to Malawi, Zaire and Zimbabwe.

Date Approved: September 19, 1985.

ZIMBABWE

INDUSTRY: The Small-Scale Enterprise Project will: (a) provide a line of credit to the Small Enterprises Development Corporation (SEDCO) for on-lending to an estimated 470 SSEs; and (b) provide technical assistance to improve the institutional efficiency of SEDCO and to help finance a management training program for small contractors and a study of the construction sector and its potential for small construction firms.

Borrower/Implementing Agency: Zimbabwe, Small Enterprises Development Corporation (SEDCO) and the Ministry of Labor, Manpower Planning and Social Welfare

Terms: $10.0 million equivalent IBRD loan, 17 years at the Bank's standard variable interest rate per annum. Total project cost: $16.1 million equivalent.

Purpose and Benefits: The project is expected to play a critical role in strengthening the Government program to provide an effective integrated package of technical and financial support to small-scale entrepreneurs who do not presently have adequate access to institutional credit or technical assistance. Further institution building assistance to SEDCO in its formative years would considerably improve its operational and financial policies and strengthen its capabilities to provide management counselling and training to SSEs. The project would also help enhance the technical skills and develop entrepreneurial capabilities, and thus redress the highly dualistic socio-economic structure of the country. It would increase the access to credit to the emerging SSEs combined with adequate counselling and training. It is estimated that about 470 SSEs would benefit directly from the line of credit. The project would help create employment for about 3,900 workers at an estimated average cost per job of only about $3,100. The proposed pilot operation is also expected to play a major catalytic role in attracting and mobilizing additional assistance from foreign donors and cofinancers.

Date Approved: May 9, 1985.

INTER-AMERICAN DEVELOPMENT BANK

ARGENTINA

ENERGY: The Northern Gas Pipeline Expansion Project will consist of: (a) installation of three new compressing stations; (b) adaptation and expansion of installed power at three present boosting stations; (c) installation of self-contained motor-driven generators at the new compressing stations and the expanded ones; (d) construction of pipeline sections; (e) selective pipe replacement program; (f) incorporation of a modern telemetry system; and (g) an institutional support program to improve Gas del Estado's operating efficiency.

Borrower/Implementing Agency: Argentina, Gas del Estado (GDE).

Terms: (a) $300,000 equivalent local currency OC loan; 20 years at the Bank's standard variable interest rate per annum; (b) $60.0 million equivalent IRC loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $200.0 million equivalent.

Purpose and Benefits: The fundamental objective of the project is to increase the transport capacity of the Northern Gas Pipeline. This higher capacity will boost the supply of natural gas to meet efficiently the growing demand in the market of northwestern Argentina. This area's industrial operations, many of which are highly seasonal in nature (for example, the sugar harvest), are located along the northern third of the pipeline. The project will help to reduce the needs for future fuel oil imports, and open the way to exporting that product. In addition, it will improve drilling operations in petroleum reserves which are now constrained by insufficient capacity to transport associated gas. The estimated economic rate of return is 47 percent.

Date Approved: October 4, 1984.

INDUSTRY: The Industrial Recovery Program will consist of financing for the procurement of inputs, spare parts, accessories, and auxiliary equipment, as well as for the execution of new investment projects and/or the expansion of existing plants. The program funds for the financing of inputs will preferably be channeled to export manufacturers and manufacturing companies that substitute imports efficiently.

Borrower/Implementing Agency: Argentina, Banco Nacional de Desarollo (BANADE).

Terms: (a) $0.5 million equivalent OC loan; 15 years at 4.0 percent interest per annum; (b) $159.5 million equivalent IRC loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $200.0 million equivalent.

Purpose and Benefits: The purpose of the industrial recovery program will be to help achieve better utilization of the productive capacity of the export industry in order to sustain and increase employment and exports. The program is designed to help solve the crisis in this sector caused, among other factors, by the decline in foreign exchange availability for the procurement of inputs and thus promote better utilization of the country's productive resources.

Date Approved: November 8, 1984.

AGRICULTURE: The Agriculture and Livestock Project will consist of supplying credit, directing it in such a way that it helps to lift the constraints on agricultural and livestock productivity, in keeping with the guidelines established by the National Government through the Secretariat of Agriculture and Livestock. The program proposes to finance: (a) the purchase of fertilizers, such as urea, diammonium phosphate and triple superphosphate, etc. so as to increase the fertilized areas planted with wheat, corn, and sunflower; (b) the purchase of herbicides to control weeds among corn, soy and sunflower; (c) purchase of farm equipment, especially tractors and grain harvesters, so as to add to and replace the sector's machinery; and (d) improvement of the internal infrastructure of the cattle ranches in the Northeast, both for cattle handling (corrals, fences, watering troughs, cattle chutes, etc), feeding (establishment of better grazing lands and animal-feed cooperatives), and health (cattle dips), as well as the purchase of the bulls necessary to enhance the breed, as well as any machinery and equipment that cattle raising requires.

Borrower/Implementing Agency: Argentina, Banco de la Nacion Argentina (BNA).

Terms: $60 million equivalent IRC loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $150 million equivalent.

Purpose and Benefits: All products included in the analysis would do well with financing, since the positive net income is always greater "with project" than with "no project" (except in the case of corn, with only herbicides being used). It is important to note that the marginal profit differs considerably among the products under consideration; figures below unit (100 percent) mean yields decreased as investment increases and vice versa. This is the case of wheat (50 percent marginal profit) and corn (95 percent), so that theoretically the same technological package benefited with credit will continue to be used so long as the marginal cost of production is less than the unit price of the commodity. In the case of soy and sunflower, we have the opposite situation, since the response to the investment, in terms of marginal profits, is still not approaching decreasing returns. Of the five models evaluated for cattle, it was found that the model for cattle raising in the northern sector of Corrientes Province produced negative earning power and MPV, so that it would not be advisable to finance that component under the terms proposed. However, it should be pointed out that there are ranches in that same region engaged in the same activity that are in a better position than the average, so that the BNA will have to analyze each situation separately.

Date Approved: November 28, 1984.

INTER-AMERICAN DEVELOPMENT BANK—Continued

ARGENTINA – Continued

AGRICULTURE: The Project for the Strengthening of Agricultural Research, Extension and Productivity will consist of: (a) agricultural research; (b) agricultural extension services; (c) training of human resources; and (d) support services.

Borrower/Implementing Agency: Instituto Nacional de Tecnologia Agropecuaria (INTA).

Terms: $38.8 million equivalent OC loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $97.0 million equivalent.

Purpose and Benefits: The basic purpose of the project will be to strengthen the mechanisms that exist in order to create and disseminate agricultural technology at the national level, with emphasis on areas with the greatest export possibilities, although the regions with relatively lower productivity in the country will not be neglected. The internal rate of return is estimated at 24.8 percent.

Date Approved: December 12, 1984.

BARBADOS

HEALTH: The Queen Elizabeth Hospital and Improvements and Construction of the Glebe Polyclinic Project will consist of: (a) two new 5-story blocks functionally linked to the existing buildings of the Queen Elizabeth Hospital (QEH); b) reconstruction and refurbishing in selected and critical areas of the existing facilities in the QEH; c) minor structures relocated in order to execute the major construction works at the QEH; d) construction of a new polyclinic at Glebe in the Parish of St. George; e) equipment and furniture; and f) a technical cooperation as a part of the project to strengthen the administrative procedures and medical nursing functions of the QEH.

Borrower/Implementing Agency: Barbados, Ministry of Health (MOH).

Terms: a) $4.7 million equivalent IRC loan; 25 years at the Bank's standard variable interest per annum. b) $7.0 million equivalent FSO loan; 25 years at 2.0 percent interest per annum. Total project cost: $18.0 million equivalent.

Purpose and Benefits: The overall objective of the project will be to significantly raise the health standard of the population and, thus, its standard of living.

Date Approved: February 27, 1985.

BRAZIL

AGRICULTURE: The Agricultural Research Project will consist of the following seven sub-programs: (1) plant research; (2) animal research; (3) research in irrigation and drainage, energy and agricultural mechanization; (4) genetic resources, biotechnology and biological pest control; (5) soil research and soil microbiology; (6) research in agroindustrial technology; and (7) testing and dissemination of technology.

Borrower/Implementing Agency: Brazil, Empresa Brasileira de Pesquisa Agropecuaria (EMBRAPA).

Terms: (a) $44 million equivalent OC loan; 20 years at the Bank's standard variable interest rate per annum; (b) $26 million equivalent FSO loan; 40 years at 3 percent interest per annum. Total project cost: $110 million equivalent.

Purpose and Benefits: The internal rates of return (IRR) of the program ranged from 29.8 percent to 44.7 percent at market prices, and 33.9 percent to 49.9 percent at efficiency prices, for models A and C, respectively. The Net Present Value (NPV) discounted at 12 percent rate (used as an approximation of the opportunity cost of capital) for each of the models was positive. Both profitability indicators are satisfactory, which implies that execution of the proposed investments under PROCENSUL II is justified from the economic viewpoint. Given EMBRAPA's experience in the past, in farm trials and farmer-level technology tests, and information on cultivars and genetic material released in recent years, it is estimated that the program would directly benefit about 500,000 producers, i.e., 21.7 percent of the farms located in the south central region. Of these, according to the land distribution patterns in the region, 77 percent would be small producers (with farms of less than 50 ha), 21.4 percent would be medium producers (50-1,000 ha) and 1.6 percent large producers (farms larger than 1,000 ha). The agricultural community workers that would receive training from EMBRAPA would also benefit from the program.

Date Approved: November 8, 1984.

INDUSTRY: The Industrial Recovery Program will consist of subloans to industrial enterprises that are efficient from the economic point of view, both those that export and those that substitute imports to finance imports (in the case of the IDB resources) and local purchases of inputs (with local resources) for their industrial processing.

Borrower/Implementing Agency: Banco Nacional de Desarrollo Economico y Social (BNDES).

Terms: $200 million equivalent OC loan. 15 years at the Bank's standard variable interest rate per annum. Total project cost: $250 million equivalent.

Purpose and Benefits: This program is designed to help make more use of the installed productive capacity of the industrial sector, maintain and increase the level of employment and exports and also help to respond to the short and medium-term external and internal financing programs of the beneficiary enterprises of the proposed programs.

Date Approved: December 19, 1984.

TRANSPORTATION: The Porto Velho-Rio Branco Road Improvement Project will consist of: (a) widening and paving the 502 kilometer section of Highway BR-364 between the cities of Porto Velho, Abuna and Rio Branco, including the improvement of 13 bridges and a ferry crossing; and (b) the establishment of an interinstitutional Technical Group that would implement Action Plans including measures designed to prevent and mitigate the direct and indirect adverse effects on the physical environment and the indigenous population.

Borrower/Implementing Agency: Brazil, National Highway Department (DNER), Economic and Social Planning Institute (IPEA).

Terms: (a) $14.5 million equivalent OC loan; 20 years at 4.0 percent interest per annum, and (b) $44.0 million equivalent IRC loan; and (b) 20 years at the Bank's standard variable interest rate per annum. Total project cost: $146.7 million equivalent.

Purpose and Benefits: The objective of the project will be to significantly improve the trunk highway system in the northern region of Brazil by providing year-round access to the State of Acre which is presently isolated by land during about five months of every year due to flooding of existing roads. In order to prevent and mitigate the adverse effects that improving the road could have on the enviroment and indigenous groups in the project area specific safeguards will be included in the project. The internal rate of return is estimated at 35.3 percent for the Porto Velho-Abuna road section and 17.7 percent for the Abuna-Rio Branco road section.

Date Approved: January 24, 1985.

TRANSPORTATION: The Second Stage of the Feeder Road Program in Santa Catarina will consist of: (a) feeder road improvement subprogram; (b) bridge construction subprogram; and (c) state highway operation and maintenance subprogram.

Borrower/Implementing Agency: The State of Santa Catarina, Highway Department of the State of Santa Catarina (DER/SC).

Terms: (a) $33.5 million equivalent IRC loan; 20 years at the Bank's standard variable interest rate per annum; (b) $18.5 million equivalent FSO loan; 20 years at 4.0 percent interest per annum. Total project cost: $112.0 million equivalent.

Purpose and Benefits: The basic objectives of the program will be to reduce losses of farm output caused by a lack of adequate transportation; to provide easier, cheaper and continuing access to the production clusters and sources of inputs; and to improve and expand state highway maintenance operations in Santa Catarina.

Date Approved: March 19, 1985.

CENTRAL AMERICA

NON-PROJECT: The Fourth Stage of the Global Preinvestment Program will consist of subloans to individuals or corporations, of the public or private sector, to contract consultants who will carry out general studies or specific studies of prefeasibility, feasibility and final designs of priority regional investment projects.

Borrower/Implementing Agency: Central American Bank for Economic Integration (CABEI).

Terms: $12.0 million equivalent FSO loan; 40 years at 1.0 percent interest per annum during the first 10 years and 2 percent interest per annum thereafter. Total project cost: $20.0 million equivalent.

Purpose and Benefits: The purpose of this program will be to continue the Bank's cooperation with the Central American countries, through CABEI, for conducting preinvestment studies that will contribute to increasing the number and improving the quality of regional investment projects formulated in the context of regional development priorities.

Date Approved: November 8, 1984.

CHILE

INDUSTRY: The Industrial Recovery Program will consist of channeling financial assets into manufacturing companies that engage either in exporting or in replacement of imports to enable them to procure imports and spare parts and financing of fixed capital investments to establish, expend, renew and/or modernize the facilities and equipment of the borrowing companies.

Borrower/Implementing Agency: Banco Central de Chile, Banco del Estado de Chile (BECH).

Terms: $130.0 million equivalent OC loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $162.5 million equivalent.

Purpose and Benefits: The purpose of the program will be to channel financial assets into manufacturing companies in order to relieve the shortage of foreign exchange and the inadequate supply of financing over the short term.

Date Approved: November 21, 1984.

TRANSPORTATION: The First Stage of the Southern Road Network will consist of: (a) construction of 320 km of roads and sections; (b) upgrading 245 km of roads; (c) paving 76 km of roads; and (d) construction of 50 bridges.

Borrower/Implementing Agency: Chile, Ministry of Public Works (MOP).

Terms: $35.7 million equivalent IRC loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $102.0 million equivalent.

Purpose and Benefits: The basic objective of the project will be to make the necessary investments for achieving the road integration of an extensive area of great economic potential located in the southern region of Chile. This region is at present disconnected from the rest of the national territory because of the lack of overland communications. It will also promote better integration of these regions with Argentina through transversal roads that unite them at various border posts. The internal rate of return is estimated at 12 percent or more.

Date Approved: November 21, 1984.

NON-PROJECT: The Multi-Investment Program for Local Development Project will consist of local investments targeted at low income groups in education, public health, sanitation, and roads and streets.

Borrower/Implementing Agency: Chile, Ministry of the Interior.

Terms: $125.0 million equivalent IRC loan; 25 years at the standard variable interest per annum. Total project cost: $280.0 million equivalent.

Purpose and Benefits: The chief purpose of the program is to improve the living conditions of the beneficiary population, with emphasis on low-income groups, by means of investments in the support of local development initiatives conceived at community, provincial, and regional levels. The program will help to improve the apparatus and to rationalize the operation of public services that provide for public health, sanitation, and roads and streets. At the same time, the program will provide for expanding and accelerating investments by the Government through the National Fund for Regional Development for the purpose of achieving greater harmony and balance in national development, and contributing to consolidation of the administrative decentralization initiated in 1974. The methodology of socioeconomic evaluation consists of a cost-benefit analysis of sanitation and roads projects, making use of shadow prices to correct any distortions in market prices. In those cases the requirement is established that the project must have a rate of return greater than 12 percent. In education and public health projects, in which benefits cannot be measured, the methodology is that of comparing alternatives and selecting the least cost alternative, or making use of indicators that are measurable.

Date Approved: November 28, 1984.

ENERGY: The Hydrocarbon Project will consist of: (a) hydrocarbon exploration using geophysical methods in selected areas of the country and through the drilling of wells in predetermined areas of the Magallanes basin; (b) construction and modernization of visbreakers in the Concon and Concepcion

INTER-AMERICAN DEVELOPMENT BANK—Continued

CHILE – Continued

refineries, respectively; and (c) construction of a gas pipeline from the producing area of Magallanes to Cabo Negro, Punta Arenas.

Borrower/Implementing Agency: Empresa Nacional de Petroleo (ENAP).

Terms: $48.0 million equivalent IRC loan. 20 years at the Bank's standard variable interest per annum. Total project cost: $120.0 million.

Purpose and Benefits: The purposes of the proposed project are: (a) to determine the hydrocarbon potential of the most promising sedimentary basins in Chile located outside the already producing Magallanes basin and to acquire a deeper knowledge of the potential of the Magallanes producing basin through more detailed research of areas still relatively unexplored; (b) to modify Chilean refineries so that their output mix matches domestic demand for refined products; and (c) to build the necessary infrastructure to supply natural gas to the methanol and fertilizer plants that would be built by private foreign firms in the Punta Arenas region of southern Chile, thus opening a market for gas supplies in the Megallanes basin not being capitalized on at present. The seismic surveys that will be conducted as part of project execution are the most efficient means of establishing hydrocarbon prospects. They minimize the uncertainty inherent to the operation and therefore optimize investment in the phase of exploratory drilling. In the case of Chile, exploratory activity is essential, since the proven reserves of petroleum tend to diminish rapidly and new reserves must be generated. The wells will be located in areas that: (a) are presumed to be favorable on the basis of an interpretation of earlier seismic data; and (b) because they are in the vicinity of deposits currently being worked and have an adequate infrastructure, would allow any find to be rapidly incorporated into the flow of output from Magallanes. The refinery modernization subproject is designed to save energy and optimize the yield from crude products processed in those plants. The plants will make it possible to increase output of more valuable light products, with a corresponding decline in less valuable heavy residues. The gas pipeline from the producing areas of Megallanes to Cabo Negro (Punta Arenas) represents the simplest solution for the supply of gas to the petrochemical plant that would be installed in Cabo Negro and opens the possibility of supply to future industrial areas along its scheduled length of 180 kms.

Date Approved: December 12, 1984.

WATER SUPPLY AND SEWERAGE: The Rural Drinking Water Supply Program Fourth Stage will consist of: (a) construction of water supply systems; (b) community promotion and organization; (c) recondition, improve and/or expand existing rural water supply systems; and (d) studies for future water supply projects.

Borrower/Implementing Agency: Chile, Servicio National de Obras Sanitarias (SENDOS).

Terms: (a) $3.5 million equivalent OC loan; 25 years at 4.0 percent interest per annum and; (b) $13.5 million equivalent IRC loan; 25 years at the Bank's standard variable interest rate. Total project cost: $30.0 million equivalent.

Purpose and Benefits: The general aims pursued by the program will be (a) to reduce the rates of morbidity and mortality due to water-borne diseases; (b) to bring about an improvement in the habits and attitudes of the rural population with respect to the use of drinking water; (c) to promote economic and social development in the communities served, by means of an improvement in public health conditions and reduction of worker absenteeism due to communicable water-borne diseases; and (d) to develop in the inhabitants an awareness of their ability to solve common problems, in order that they will undertake new tasks in the interest of progress. The internal rates of return are estimated at 12 to 52 percent.

Date Approved: September 26, 1985.

COLOMBIA

ENERGY AND WATER SUPPLY AND SEWERAGE: The Multipurpose Development of the Rio Grande Project will consist of: (a) Rio Grande Dam; (b) La Tasajera Hydroelectric Plant; (c) Niquia Hydroelectric Plant; (d) surge tank; (e) water supply system; (f) treatment plant; (g) water supply distribution; (h) sewerage system; and (i) studies and training.

Borrower/Implementing Agency: Empresas Publicas de Medellin.

Terms: $200.0 million equivalent OC loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $611.3 million equivalent.

Purpose and Benefits: The objectives of the project will be to increase and improve the systems for: (i) generation of electric energy; (ii) production and distribution of drinking water; (iii) increase in the coverage of the sewerage and sanitation service of many creeks flowing into the Medellin river; and (iv) improvement of the quality of the water of the Medellin river, from the municipality of Girardota. The internal rate of return is estimated at 14.4 to 18.8 percent.

Date Approved: December 19, 1984.

EDUCATION: The ICFES Project will consist of a loan to the Instituto Colombiano para el Fomento de la Educacion Superior (ICFES). The project will consist of two specific components and one global component for the financing of academic programs. Its purpose is to increase at the national level the coverage of the higher education system through the expansion of distance education programs in professional training courses of importance for the country; the expansion of a university specifically dedicated to the continuity of higher level distance education; and the maintenance at an acceptable level of quality in higher education through distance education.

Borrower/Implementing Agency: Instituto Colombiano para el Fomento de la Educacion Superior.

Terms: (a) $33.5 million equivalent OC loan; 25 years at the Bank's standard variable interest rate per annum for the foreign exchange portion and 4.0 percent per annum for the local currency portion; (b) $4.0 million equivalent in local currency FSO loan; 30 years at 2 percent per annum. Total project cost: $37.5 million equivalent.

Purpose and Benefits: During the execution period of the project (4 years), it is intended to achieve the following verifiable results or targets: (a) to establish in the ICFES the planning and evaluative research elements necessary for regulating, directing and controlling the distance education system; (b) to expand a university specializing in Higher Level Distance Education (UNISUR), which will offer not less than four programs of study in approximately 20 Regional Centers (CREADs). This institution will be provided with the mechanisms for research, diffusion, and support to other universities necessary for bringing into general use the transferable experiences of educational technology; (c) to integrate into the SED not less than 9 Colombian institutions of higher education, in addition to UNISUR. All these institutions and their respective distance education programs will be authorized and coordinated by the ICFES; (d) to generate capacity to serve approximately 30,000 students in the SED; (e) to establish approximately 50 CREADs distributed in all the regions of the country, of which 20 would be UNISUR units and 30 those of other universities; (f) to offer approximately 14 distance education programs, in areas of knowledge specifically related to the economic and social development of the regions in which they are offered; of those programs, 4 would be provided through UNISUR and the remainder through the other institutions of the system; and (g) to provide the SED with the necessary instruments for achieving its purpose, including specialized consultancies; personnel training; production and distribution of teaching material; construction remodeling, and provision of equipment, furniture, libraries and materials for the CREADs.

Date Approved: January 10, 1985.

ENERGY: The Additional Financing for the Jaguas Hydroelectric Project will consist of: (a) construction of a dam and auxiliary works; (b) an underground powerhouse with an installed capacity of 177 MW; (c) intake works and tunnels for conduction, bypass, escape and access; (d) transmission line; (e) access road to the work site; and (f) equipment for these installations.

Borrower/Implementing Agency: Interconexion Electrica S.A. (ISA).

Terms: $28.0 million equivalent IRC loan; 20 years at the Bank's standard variable interest rate per annum; and (b) $52.0 million equivalent IRC complementary financing loan; 8 years at a variable interest rate per annum. Total project cost: $243.8 million equivalent.

Purpose and Benefits: The project's objectives will be to increase the installed generating capacity of the interconnected system by 177 MW and the average energy production by 750 GWh, which would be raised to 2,960 GWh upon completion of the San Carlos and Playas hydroelectric plants on the Guatape river, downstream from the project's discharge site. Construction of the project, which is part of the less-cost electric power generation expansion, will help satisfy estimated demand for electric power in Colombia starting in mid-1986. The economic rate of return for the entire project was estimated retroactively to be 12.9 percent.

Date Approved: January 10, 1985.

URBANIZATION: The Second Stage of the Credit Program for Urban Development will consist of: (a) a credit line to finance urban infrastructure; and (b) an institutional support component.

Borrower/Implementing Agency: Banco Central Hipotecario de Colombia (BCH).

Terms: $50.0 million equivalent IRC loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $111.1 million equivalent.

Purpose and Benefits: The purpose of the second stage of the Global Credit Program for Urban Development will be to assist in meeting the priorities of the Government of Colombia by extending support to the Fondo Financiero de Desarrollo Urbano (FFDU) for the financing of infrastructure projects aimed at improving the living conditions of the country's urban population, particularly in the medium-sized and smaller cities. As secondary objectives, the program will seek to: (a) foster, by means of its credits, a greater degree of local and departmental autonomy in the preparation, execution and financing of the subprojects; (b) strengthen the finances of local entities by promoting the use of cost-recovery instruments such as the betterment tax and direct user charges; (c) upgrade the operating efficiency of the local entities involved in the subproject; and (d) channel domestic private savings to the urban development sector through the participation of financial intermediaries in the financing of the subprojects.

Date Approved: January 10, 1985.

INDUSTRY: The Industrial Recovery Program will consist of short and medium-term financing to import raw materials and other inputs. The resources of the program will be channeled through banks and financial corporations and ultimately be used by efficient industrial enterprises working in the sector, preferably exporters, to finance purchases of the inputs they need for the production. The program also will include financing for investment projects to expand, remodel or modernize industrial plants of beneficiary companies.

Borrower/Implementing Agency: Bank of the Republic of Colombia (BR).

Terms: $130.0 million equivalent IRC loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $162.5 million equivalent.

Purpose and Benefits: The principal objective will be to help maintain and raise the use of installed productive capacity of efficient industrial sector companies, as well as maintain and increase the employment and sales of the sector, its exports in particular.

Date Approved: May 3, 1985.

COSTA RICA

AGRICULTURE: The Agroindustrial Cooperative Development Program will consist of: financing for (a) planting, cultivation and processing of cacao; (b) improvement of coffee processing plants; and (c) technical cooperation.

Borrower/Implementing Agency: Banco Central de Costa Rica (BCCR), Banco Cooperativo Costarricense (BANCOOP).

Terms: $6.0 million equivalent FSO loan. 30 years at 2.0 percent interest rate per annum. Total project cost: $9.2 million equivalent.

Purpose and Benefits: The objective of the project will be to promote agricultural production and industrial processing thereof, among low-income farmers who are members of cooperatives and who do not as a rule have access to development credit, so as to consolidate and expand agroindustrial cooperatives. It also will seek to increase income levels and create new jobs for low-income families, thereby improving social conditions in those areas that will benefit by the program. The internal rate of return is estimated at 18 percent or more for the cacao program and 28 percent or more for the coffee program.

Date Approved: October 17, 1984.

AGRICULTURE: The Seventh Stage of the Agricultural Credit Program will consist of: (a) financing for crop development; (b) financing for livestock development; and (c) technical cooperation for the institutional strengthening of the BNCR.

Borrower/Implementing Agency: Central Bank of Costa Rica (BCCR), Banco Nacional de Costa Rica (BNCR).

Terms: $35.0 million equivalent OC loan. 20 years at the Bank's standard variable interest rate per annum. Total project cost: $54.0 million equivalent.

Purpose and Benefits: The basic purpose of the program will be to help finance investment and technical assistance plans in order to support small and medium-scale farmers and thus increase the productivity and production of the export-oriented items of the agricultural sector at a time when the government is assigning priority to the recovery of the agricultural sector.

Date Approved: December 12, 1984.

URBANIZATION: The Sites and Services Project will consist of: (a) four specific projects in the cities of Puntarenas, Limon, Liberia, and San Isidro and includes the development of 2,966 sites; (b) the construction of the corresponding utility block; (c) credit for the purchase of materials for staged housing construction, commercial sites; and (d) the construction and equipment of complementary health and education buildings.

Borrower/Implementing Agency: Costa Rica, Instituto Nacional de Vivienda y Urbanismo (INVU).

Terms: $17.3 million equivalent FSO loan. 35 years at 2 percent interest per annum. Total project cost: $23 million equivalent.

Purpose and Benefits: It is believed that in 1988 the demand for housing by the low-income groups in the cities of Puntarenas, Liberia, Limon, and San Isidro will be 5,470. The program will provide for a total of 2,966 in 1988, and 1989, and therefore have a substantial impact on the housing deficit in those localities. The economic rates of return of the subprojects that make up the program are considered acceptable (Puntarenas 15 percent; Limon 18 percent; Liberia 17 percent; and San Isidro de Perez Zeledon 19 percent). The unit cost of the comprehensive care centers, kindergartens and primary schools compare favorably with those of other facilities in Costa Rica that provide similar services.

Date Approved: December 12, 1984.

WATER SUPPLY AND SEWERAGE: The Program for the Expansion and Repair of Water Supply Systems in Intermediate Cities and of the Sewerage Systems of Punturenas will consist of: (a) 32 urban water supply systems that will benefit approximately 36 cities with a total present population of 281,000 inhabitants; (b) 18 rural water supply systems that will benefit 37 localities with a present total population of 19,300 inhabitants; and (c) sewerage works to serve a population of 23,400 inhabitants in the eastern zone of the metropolitan area of the city of Puntarenas.

Borrower/Implementing Agency: Costa Rica, Instituto Costarricense de Acueductos y Alcantarillado (AyA).

Terms: (a) $23.3 million equivalent OC loan; 25 years at the Bank's standard variable interest rate per annum; (b) $5.0 million equivalent FSO loan; 35 years at 2.0 percent interest per annum. Total project cost: $43.4 million equivalent.

Purpose and Benefits: The program will seek to improve the coverage and quality of the water supply services in the localities included in it, both in the urban and in the rural areas. The same applies to those of the sewerage system of Puntarenas, whose purpose will be to improve the health of its inhabitants and to provide better living conditions. The estimated internal rates of return are 12 to 24.4 percent.

Date Approved: December 19, 1984.

DOMINICAN REPUBLIC

TOURISM: The Global Credit for Tourism Project will consist of: (a) a global credit line for financing, (i) the construction and expansion of tourist accomodations, and (ii) other facilities and equipment required for services related primarily to incoming tourism; and (b) technical consulting services required to assist INFRATUR in executing the program, namely through the contracting of a number of experts.

Borrower/Implementing Agency: Dominican Republic (Central Bank), Department of Tourism Infrastructure Development (INFRATUR).

Terms: $37 million equivalent IRC loan. 15 years at variable interest rate per annum. Total project cost: $53 million equivalent.

Purpose and Benefits: The proposed program contributes to increasing the impact of tourism on the national economy through the credits that would be granted to improving the institutional arrangements as a result of technical assistance. Taking into account the economic crisis the country is experiencing, the program has been designed to generate benefits and foreign exchange as quickly as possible, and simultaneously to contribute to the balanced development of the sector over the long term. To that end, the resources of the program will be aimed at financing the construction of hotels in areas that have the necessary physical infrastructure and demonstrate an immediate capacity to attract foreign tourists. In addition, the program will finance technical assistance needs in the area of institutional strengthening and generation of information and thus contribute to better decisionmaking in tourism policy. The financial rate of return of the project is very attractive, i.e., of between 15 percent and 21 percent.

Date Approved: November 14, 1984.

ENERGY: The Manabao-Bejucal-Tavera Hydroelectric Complex and Load Dispatch Center Program will consist of: (a) the Manabao-Bejucal-Tavera hydroelectric complex, consisting in the construction and outfitting of two power stations; and (b) the construction and outfitting of a load dispatch center.

Borrower/Implementing Agency: Dominican Republic, Corporacion Dominicana de Electricidad (CDE).

Terms: $150.0 million equivalent IRC loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $282.4 million equivalent.

Purpose and Benefits: The purpose of the program will be to provide for the expansion of the CDE's power generation system in regard to generating stations and operating systems with a view to the provision of inexpensive, reliable service.

Date Approved: December 19, 1984.

ECUADOR

AGRICULTURE: The second loan for the Daule-Peripa Dam Project will consist of completing the first stage of the Daule-

Peripa multipurpose program, which consists of the construction of a dam with a capacity of approximately 6,000 million m^3 and an irrigation and drainage system for 17,000 hectares.

Borrower/Implementing Agency: Ecuador, Comision de Estudios para el Desarrollo de la Cuenca del Rio Guayas (CEDEGE).

Terms: $175 million equivalent IRC loan. 20 years at the Bank's variable interest rate per annum. Total project cost: $403 million equivalent.

Purpose and Benefits: The principal benefits from the entire project, based on irrigation and flood control on 50,000 ha, are: (a) the electrical benefits with economic values under assumptions of average demand; (b) benefits for drinking water due to the increased supply; (c) control of saline intrusion; and, (d) the future costs considering the costs already invested, i.e., (end of 1984) "sunk costs". The incremental benefits and costs of the total project show an internal rate of economic return (IRER) of 11.7 percent and a negative net present value (NPV) of US $-8.5 million.

Date Approved: December 6, 1984.

INDUSTRY: The Industrial Recovery Program will consist of financing for the purchase of inputs, spare parts, accessories, auxiliary equipment and for the execution of new investment projects and/or expansion or modernization of existing plants.

Borrower/Implementing Agency: Ecuador, Central Bank of Ecuador (BCE).

Terms: $80.0 million equivalent IRC loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $100.0 million equivalent.

Purpose and Benefits: The principal objectives of the program will be to help increase the use of the installed productive capacity of the industrial sector, and to maintain and increase employment and exports. The resources of the program intended for financing inputs will be channeled to manufacturing export enterprises and to those that efficiently substitute imports.

Date Approved: January 10, 1985.

WATER SUPPLY AND SEWERAGE: The Second Stage of the Sewerage and Back Filling Project in the Western Suburb of Guayaquil will consist of: (a) interior backfill of properties and sidewalks; (b) construction of the sanitary and the storm sewerage systems; and (c) procurement of equipment for maintenance and computation.

Borrower/Implementing Agency: Ecuador, Empresa Municipal de Alcantarillado de Guayaquil (EMAG).

Terms: $24.0 million equivalent FSO loan; 40 years at 1.0 percent interest per annum during the first 10 years and 2.0 percent per annum thereafter. Total project cost: $27.2 million equivalent.

Purpose and Benefits: The objectives of this second stage will be aimed at completing the improvement of the sanitary conditions of the Western Suburb of Guayaquil and helping to remedy the deplorable enviromental conditions and hazards to public health of the ponding of water inside of inhabited lots.

Date Approved: September 26, 1985.

EL SALVADOR

WATER SUPPLY AND SEWERAGE: The Third Stage of the Rural Water Supply Program will consist of: (a) construction of water supply systems; (b) installation of sanitary family and school latrines; and (c) institutional support.

Borrower/Implementing Agency: El Salvador, The Ministry of Public Health and Social Welfare (MSPAS) through PLANSABAR.

Terms: $21.0 million equivalent FSO loan; 40 years at 1.0 percent interest per annum during the first 10 years and 2.0 percent per annum thereafter. Total project cost: $28.0 million equivalent.

Purpose and Benefits: The objective of the program will be to improve the living conditions of the rural inhabitants of El Salvador by providing drinking water supply and sanitary excreta disposal facilities and thereby contributing to the prevention of water-borne diseases and to the improvement of environmental sanitation conditions. The estimated internal rate of return is 42 percent.

Date Approved: April 24, 1985.

GUATEMALA

TRANSPORTATION: The reconstruction of East-West Highway (CA-9) North Project will consist of rebuilding the wearing course and shoulders with an asphalt pavement base and surface; realignment of the right-of-way in small sections; widening of the traveled way and shoulders; reconditioning of bridges; rebuilding of drainage facilities; and improvement of traffic signs along about 161 km Route CA-9 North between the village of Rio Hondo (Km 141.9) and the end of the highway at the seaport of Santo Tomas de Castilla (Km 301.4); and construction of a traffic divider and approaches to the city of Puerto Barrios. The highway, once the project is completed, will become a modern two-lane road extending from Km 136.06 to Km 290.74; a four-lane traffic divider and median at the junction of the highway to Puerto Barrios and a two-lane highway from Km 292.22 to Km 295.80.

Borrower/Implementing Agency: Guatemala, Ministry of Communications, Transportation and Public Works (MCTOP).

Terms: $64.0 million equivalent IRC loan; 20 years at the standard variable interest rate per annum. Total project cost: $106.7 million equivalent.

Purpose and Benefits: Benefits are derived mainly from savings in vehicle operating costs, highway maintenance costs, and reduced passenger travel time. All five sections into which the project was divided for purposes of economic analysis are economically feasible and show internal rates of return in the range of 20.5 to 28.0 percent. In the case of Puerto Barrios-Sto. Tomas, the DGC had proposed an expansion from two to four lanes, but the information submitted did not support the change requested. Hence, expansion of capacity cannot be recommended at this time; but it is recommended that the two existing lanes be improved.

Date Approved: August 18, 1985.

INDUSTRY: The Second Stage of an Industrial Recovery Program will consist of financing for imported inputs and fixed assets in the industrial sector.

Borrower/Implementing Agency: Banco de Guatemala (BG).

Terms: $70 million equivalent IRC loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $87.5 million equivalent.

INTER-AMERICAN DEVELOPMENT BANK—Continued

GUATEMALA–Continued

Purpose and Benefits: The principal objective of the program will be to continue to support the recovery of the industrial sector of Guatemala, which lacks foreign exchange on reasonable terms for the purchase of external inputs. These are required by manufacturing enterprises in order to achieve greater utilization of installed industrial capacity that will make it possible to maintain and increase employment and sales or prevent a fall in the present level of utilization.

Date Approved: August 18, 1985.

ENERGY: The Chixoy Hydropower Project will consist of repairs to the project's tunnel caused by unexpectedly soft rock. When operational, the project will produce 300 MW, and have an average energy output of 1,493 GWH per year.

Borrower/Implementing Agency: Guatemala, Instituto Nacional de Electrificacion.

Terms: $57.0 million equivalent IRC loan. 20 years at the Bank's standard variable interest rate per annum. Total project cost: $126.04 million equivalent.

Purpose and Benefits: Despite the considerable increases in the cost of the project, it remains of vital importance to the country because its electric power generation is now based primarily on the output of thermal power plants, which involves a substantial expenditure for fuel. Moreover, without the Chixoy power station, the country's reliable generating capacity is practically equal to the peak demand, which has prevented maintenance required by the generating stations, particularly the thermal power plants, and has also resulted in power outages that have had a considerable adverse effect on the national economy.

Date Approved: September 26, 1985.

GUYANA

INDUSTRY: The Industrial Reactivation Program will consist of providing financing to GAIBANK for on-lending to eligible industrial enterprises in accordance with efficient sectoral allocations for sugar processing, rice milling and general manufacturing, and specified credit regulations. Subloans will be provided to finance both working capital and fixed assets, for the importation of inputs, spare parts and capital goods. A parallel technical cooperation is proposed for institutional strengthening of GAIBANK and technical support for the industrial community at large.

Borrower/Implementing Agency: Guyana, Guyana Cooperative Agricultural and Industrial Development Bank (GAIBANK).

Terms: $28.0 million equivalent OC loan. 15 years at the Bank's standard variable interest rate per annum. Total project cost: $35.0 million equivalent.

Purpose and Benefits: The general objective of the proposed program will be contribute to the development of the industrial sector in Guyana through: increasing production and productivity of efficient industrial firms; improving the use of existing underutilized capacity; generating foreign exchange earnings through increased exports; saving foreign exchange through efficient import substitution; and strengthening the institutional framework for industrial credit. Specifically, the program will contribute to the rehabilitation of key subsectors and the reactivation of many enterprises that have been paralyzed due to a critical foreign exchange shortage, and will serve to consolidate GAIBANK's industrial credit capabilities.

Date Approved: February 14, 1985.

ENERGY: The Guyana Electricity Corporation (GEC) Rehabilitation Program's main objective is to increase the amount and reliability of the electricity currently available to the country by restoring the principal generating facilities of the company to a level as close as practicable to their original capacity, efficiency or performance, so as to best utilize the existing investment, prevent further deterioration of the facilities, and meet energy needs through 1988. At the same time, the Progam will seek to strengthen GEC's management capacity, to improve its financial situation, and to lessen its human resource constraints. The Rehabilitation Program consists of 3 main components in addition to the parallel technical cooperation: (a) generation work, which includes the following 5 groups: Kingston B, Garden of Eden, Canefield and Onverwagt as well as the Kingston Gas Turbine; (b) transmission and distribution work; and (c) management support. A concurrent parallel technical cooperation consisting of a set of studies and training program for the strengthening of various corporate facets of GEC is also proposed.

Borrower/Implementing Agency: Guyana, Guyana Electricity Corporation (GEC).

Terms: $16.1 million equivalent IRC loan; 20 years at variable interest rate per annum. Total project cost: $19.2 million equivalent. $1.5 million equivalent FSO grant. Total project cost: $1.63 million equivalent.

Purpose and Benefits: The components of the program includes the provision and installation of maintenance and refurbishment spares and construction of workshops and stores facilities for the following principal generating stations; Kingston B, Garden of Eden, Canefield and Onverwagt. In addition, the Kingston Gas Turbine shall be refurbished. It also includes the refurbishment of the interconnection system between Kingston and Sophia, interim replacement of line materials in selected areas of the system, rehabilitation of the New Amsterdam distribution system, installation of capacitors for reactive compensation, purchase of maintenance test equipment, transportation vehicles and spare parts and installation of the Bartica cable link. The internal rate of return for the rehabilitation of generation works and installation of the Bartica cable link range from 26 percent to 105 percent. The economic rate of return for the subprojects is greater than 25 percent.

Date Approved: July 25, 1985.

HAITI

EDUCATION: The Expansion and Improvement of the Primary and Normal School Education System Project will consist of continuing the works started under loan 508/SF-HA in 71 rural schools, specifically, completing 247 classrooms on which work had begun, adding 41 classrooms and repairing 229 classrooms, as well as making repairs on 3 normal schools.

These works, designed to fit into the new curriculum system, will be accompanied by the printing and distribution of new textbooks, in Creole, and the training of primary and normal school teachers, together with technical advisory services for the reformulation of programs and methodologies used in the schools.

Borrower/Implementing Agency: Haiti, Ministry of National Education.

Terms: $11.9 million equivalent FSO loan; 40 years at 1 percent interest per annum during the first 10 years and 2 percent per annum thereafter. Total project cost: $14.0 million equivalent.

Purpose and Benefits: The project will support improvements in the quality and expansion of coverage of rural basic education in Haiti. The project will also help to advance the implementation of the education reform started in 1980. Almost half the children between 6 and 15 years of age in Haiti do not attend school and the quality of instruction in primary schools, in rural areas in particular, suffers from many serious deficiencies. This project will expand the coverage of basic education in those areas and help to resolve some of the major educational problems such as deficient and scattered physical infrastructure, lack of textbooks and teaching materials, training of teachers, and communications obstacles resulting from the use of French with youngsters who speak Creole.

Date Approved: September 26, 1985.

HONDURAS

WATER SUPPLY AND SEWERAGE: The Water Supply Project for Four Cities will consist of: (a) construction of new surface water intake works; (b) upgrading of intake works; (c) drilling and equipping wells; (d) transmission lines; (e) treatment plants; (f) storage tanks; (g) distribution networks, and (h) metering.

Borrower/Implementing Agency: Honduras, Servicio Autonomo Nacional de Acueductos y Alcantarillados (SANAA).

Terms: $24.0 million equivalent FSO loan; 40 years at 1.0 percent interest per annum during the first 10 years and 2.0 percent per annum thereafter. Total project cost: $30.0 million equivalent.

Purpose and Benefits: The objective of the project will be to meet the water supply deficits and to guarantee water quality in the cities of La Paz-Cane, Juticalpa, Siguatepeque and Tela through the improvement and expansion of the components of the present systems and the construction of new production and distribution works. The project will make it possible to improve the living conditions of the present total population of 73,700 inhabitants and to respond to the basic needs of the design population calculated at 105,500 inhabitants in 1993. The economic rate of return is 11 percent or more for the four subprojects.

Date Approved: December 12, 1984.

AGRICULTURE: The Honduras Animal Health and Cattle Production Development Program will have the following subprograms: (a) cattle production development subprogram, focused on establishing applied livestock research systems and developing of a technical assistance programming system based on appropriate technology for practical use. It is subdivided into two components; (i) applied livestock research; and (ii) technology transfer; (b) animal health subprogram, aimed at: (i) developing a tick and torsalo control program; (ii) stepping up the bovine tuberculosis and brucellosis control and eradication campaign; (iii) strengthening exotic disease prevention systems at ports and borders; and (iv) providing technical assistance in animal health and care; (c) training subprogram, designed to instruct and train professionals and technicians from the General Livestock Directorate (DGG) of the Ministry of Natural Resources as well as beneficiary producers to raise their technical and operating know-how and introduce improved technology for animal production and health.

Borrower/Implementing Agency: Honduras, Ministry of National Resources (SRN).

Terms: $6.9 million equivalent IRC loan; 20 years at the Bank's standard variable interest per annum. Total project cost: $11.3 million equivalent.

Purpose and Benefits: The principal objective of the program will be to expand and strengthen technical support services from SRN to producers, through the DGG. This technical assistance will help raise cattle production and productivity. This objective will be reached by generating livestock technology, transferring it and using it widely (improved grass seeds and material for genetic improvement), as well as continuing preventive animal health measures. The internal rate of return is estimated at 18.6 percent for the animal health subprogram and 20 to 24 percent for the cattle development subprogram.

Date Approved: May 29, 1985.

JAMAICA

TRANSPORTATION: The Rural Roads Improvement and Maintenance Program will consist of: a) rural roads improvement subprogram; and b) rural roads maintenance subprogram.

Borrower/Implementing Agency: Jamaica, Ministry of Construction/Works (MOC/W).

Terms: $14.6 million equivalent FSO loan. 35 years at 2.0 percent interest per annum. Total project cost: $21.0 million equivalent.

Purpose and Benefits: The principal objectives of the program will be to: reintegrate the zones of influence of the rural roads into the national economy; furnish permanent access to the zones which actually are not developing in accordance with their full potential; reduce transport costs of agricultural products and of passengers; promote greater mobility for the small producer thereby permitting new and better means of commercialization of agricultural products; and improve maintenance operations of the rural roads network. The economic rate of return is estimated at 12 percent or more.

Date Approved: January 10, 1985.

PREINVESTMENT: The Second Stage of a Preinvestment Studies Programme Project is designed to promote and finance the conduct of preinvestment studies in priority sectors of the Jamaican economy to ensure a continous flow of properly prepared investment projects and to increase the number and quality of investment projects that can attract international finance and contribute to the social and economic development of the country. Additionally, the programme will strengthen the technical capacity of the administrative unit that will administer the programme by means of two individual consultants who would be hired to provide technical support for: (i) operational matters related to preinvestment funds especially regarding project evaluation, preparation of terms of reference and

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JAMICA – Continued

review of consultant's proposals and reports; and (ii) establishment and preparation of an up-dating system for the register of consultants to be used by the programme.

Borrower/Implementing Agency: Jamaica, Planning Institute of Jamaica (PIOJ).

Terms: $5.5 million equivalent IRC loan. 15 years at variable interest rate per annum. Total project cost: $8.40 million equivalent. $300,000 equivalent FSO nonreimburseable technical cooperation. Total project cost: $400,000 equivalent.

Purpose and Benefits: The economic justification in the Project Report is based on two fundamental aspects: (a) the work executed by the Jamaica Preinvestment Programs JPIP in the execution of operations financed from resources of the previous programme; and (b) a quantification of the demand for studies likely to be financed under the proposed programme, analyzing the probable viability of the studies, especially in relation to the institutional capacity of the JPIP to administer and execute the programme. Analysis detailed in the Project Report shows that despite the institutional weaknesses of the JPIP unit, which was derived from the series of changes in the administration of the Programme and lack of qualified staff, the salient characteristic of the previous Programme has been the positive effect it had on the number of properly prepared studies, which helped substantially to obtain foreign and domestic financing to make the investments concerned, thus making it possible to carry out several Bank financed investment projects considered of high priority within the country's development plans. In addition, the studies financed under the programmes's resources including capital recoveries, have given an impetus to developing the domestic consulting industry whose experience has been enhanced by the conduct of several studies independently and in association with foreign firms.

The studies financed contributed in a positive way, though limited, towards facilitating the investment decision-making process within the country's public investment programme.

Date Approved: September 11, 1985.

MEXICO

AGRICULTURE: The Fifth Stage of the FICART Agricultural Credit Program will consist of: (a) investment credits; (b) working capital credits; and (c) technical assistance.

Borrower/Implementing Agency: Nacional Financiera, S.A. (NAFINSA), Banco Nacional de Credito Rural S.A. (BANRURAL), acting through the Fideicomiso para Credito en Las Areas de Riego y de Temporal (FICART).

Terms: $165.0 million equivalent OC loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $412.5 million equivalent.

Purpose and Benefits: The purpose of the program will be to increase the real supply of credit of the BANRURAL system by serving new clients and increasing credits for established clients, with a view to helping achieve the following national objectives: (a) to promote rural development; (b) to promote the sectoral production of foodstuffs for export and of raw materials for industry; (c) to bring about a greater integration of the productive systems in order to make greater use of the natural and investment resources available to producers, and (d) to promote the vertical and horizontal integration of production units, especially those in the ejidal sector, as a means of providing them with a greater share of the value added to the products generated in rural areas.

Date Approved: December 12, 1984.

WATER SUPPLY AND SEWAGE: The Expansion and Improvement of the Water Supply and Sewerage Service of Tijuana will consist of: (a) installation of interconnection lines; (b) reconditioning of the La Mision-Tijuana water supply system; (c) construction of reinforced concrete tanks; (d) installation and equipping of three repumping stations; (e) laying of lines; (f) installation of macrometers, meters, and connections; (g) expansion of the laboratory and meter shop; (h) minor repairs to the distribution system; (i) procurement of maintenance equipment; (j) construction of three interceptor lines; (k) construction of 16 collectors; (l) installation of neighborhood lines; (m) construction of a pumping station; (n) installation of house connections; and (o) institutional strengthening.

Borrower/Implementing Agency: Banco Nacional des Obras y Servicios Publicos S.A. (BANOBRAS), Comision Estatal de los Servicios Publicos (ESPTT).

Terms: (a) $36.4 million equivalent IRC loan; 25 years at the Bank's standard variable interest rate per annum; and (b) 10.0 million equivalent FSO loan; 25 years at 3.0 percent interest per annum. Total project cost: $91.0 million equivalent.

Purpose and Benefits: The objective of this project will be to expand the coverage and improve the quality of the water supply and sewerage services for the metropolitan area of the city of Tijuana, thereby bringing about an improvement in the residents' sanitary and living conditions.

Date Approved: March 6, 1985.

PANAMA

AGRICULTURE: The Global Agricultural Credit Program will consist of: (a) financing for fixed capital and/or working capital for farmers; (b) financing for clearance of title of the subborrower's land holding; (c) financing for vehicles and equipment to enhance promotion; (d) technical assistance to farmers and supervision of credit by the executing agency; and (e) technical assistance for institutional strengthening of the BDA.

Borrower/Implementing Agency: Banco de Desarrollo Agropecuario (BDA).

Terms: (a) $19.0 million equivalent IRC loan; 15 years at the Bank's standard variable interest rate per annum; (b) $9.5 million equivalent FSO loan; 30 years at 2 percent interest per annum. Total project cost: $43.9 million equivalent.

Purpose and Benefits: The purpose of the program will be maintaining agricultural output by providing credit for annual and permanent crops, with special attention to those that have prospects for export or for efficient substitution of imports and for domestic demand and increasing and improving the national livestock herd, thus raising output of meat and milk.

Date Approved: January 31, 1985.

EDUCATION: The Expansion and Improvement of the Education System Project will consist of: (a) the construction and equipment of 14 intermediate education schools; (b) the expansion of physical works in 21 intermediate education schools; (c) the equipment of laboratories and workshops in intermediate-level education schools; (d) the purchase of books and teaching material for primary and intermediate-level education schools; and, (e) the execution of a plan for strengthening intermediate-level technical and vocational education, which would be financed through nonreimbursable technical cooperation.

Borrower/Implementing Agency: Panama, Ministry of Education.

Terms: $14.2 million equivalent OC loan, 25 years at the Bank's standard variable interest rate per annum for IFF financing; and $6.0 million equivalent FSO loan, 35 years at 2.0 percent interest per annum. Total project cost: $31.0 million equivalent.

Purpose and Benefits: The principal objectives the program plan is to attain are the following: (a) to expand access to public intermediate education, both general, technical, and vocational; (b) to improve the quality of primary and intermediate education, in the case of the last-mentioned, both general, technical, and vocational, in particular the teaching of natural sciences and mathematics, experimentation in science laboratories and practical work in industrial education workshops; (c) to strengthen technical and vocational education at the intermediate level in the areas of organization, structure of the system, plans and programs of study and teaching methods; and (d) to undertake a program for the upgrading and training of teaching, managerial and supervisory personnel of the above-mentioned technical and vocational educational services.

Date Approved: September 18, 1985.

PARAGUAY

AGRICULTURE: The Sixth Stage of the Agricultural Promotion Program will consist of a global credit line to finance agricultural investment and production projects, that will include land reclamation, construction of sheds, storehouses and small-scale irrigation works, acquisition of agricultural machinery and tools, purchase of draft animals and the working capital required for agricultural promotion and production.

Borrower/Implementing Agency: Paraguay, Banco Nacional de Fomento (BNF).

Terms: $37.5 million equivalent OC loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $50.0 million equivalent.

Purpose and Benefits: It will increase agricultural production and productivity by granting credit and technical assistance, at the national level, to approximately 3,520 small low-income rural producers, associations of producers and rural coopertives. The internal rate of return is estimated at 36 percent or more.

Date Approved: November 8, 1984.

PERU

INDUSTRY: The Industrial Recovery Program will consist of providing financial resources to private manufacturing firms which export or which substitute imports, to enable them to purchase imported inputs and spare parts and the financing of investments in fixed assets for the establishment, expansion, renovation and/or modernization of the installations and equipment of beneficiary firms. Also, technical support for a study and an action program to define and implement the establishment and strengthening of trading companies.

Borrower/Implementing Agency: Peru, Banco Industrial del Peru (BIP).

Terms: $160.0 million equivalent IRC loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $200 million equivalent.

Purpose and Benefits: It is hoped that economically-efficient firms will receive loans from the program at considerably lower interest rates, although still positive, and that consequently some firms that otherwise without the program will have declared bankruptcy will be surviving and maintaining or increasing their production, employment and/or export level.

Date Approved: November 28, 1984.

ENERGY: The Northern Oil Pipeline Reinforcement Project will consist of: (a) engineering works identified in pertinent studies for strengthening the dangerous areas of the oil pipeline; (b) construction of additional works necessary for optimizing the operation of the oil pipeline; (c) purchase of repair and maintenance equipment for a comprehensive preventive maintenance program; and (d) preparation of detailed studies of the oil pipeline, designed to establish the basis for formulating the preventive maintenance program.

Borrower/Implementing Agency: Empresa Petroleos del Peru, S.A. (PETROPERU).

Terms: $20.0 million equivalent OC loan. 20 years at the Bank's standard variable interest rate per annum. Total project cost: $50.0 million equivalent.

Purpose and Benefits: The purpose of the project is to provide Peru with the capacity to continue to transport the petroleum produced in the eastern regions to places that will permit its transfer to consumption centers and export markets and also seeks the creation of a permanent maintenance system as a fundamental objective. The most important objectives of the project are as follows: (a) make the oil pipeline stable and secure through the reinforcement of the vulnerable areas already identified; (b) strengthen the operating and maintenance systems; and (c) prepare studies that will serve as a basis for setting up an organization and an efficient program of preventive maintenance.

Date Approved: November 28, 1984.

REGIONAL

PREINVESTMENT/TECHNICAL ASSISTANCE: The Global Multisector Credit and Preinvestment Program will consist of: (a) two subprograms of a multisectoral global credit nature; (b) a preinvestment global credit subprogram; and (c) an institutional strengthening subprogram for the Caribbean Development Bank (CDB) in various operational and administrative functions and to strengthen the Project Administration Training Unit.

Borrower/Implementing Agency: Caribbean Development Bank.

Terms: (a) $20.0 million equivalent OC loan; 20 years at the Bank's standard variable interest rate per annum; (b) $5.0 million equivalent FSO loan; 3 years at 1.0 percent per annum during the first 10 years and 2.0 percent per annum thereafter. Total project cost: $42.9 million equivalent.

REGIONAL – Continued

Purpose and Benefits: The objectives of the program will be to assist CDB: (a) in financing technically sound and economically justified investment projects in the fields of agriculture, industry, tourism, and infrastructure in the private and public sectors of CDB member countries; (b) in providing technical cooperation in areas of institutional strengthening, project preparation, design and implementation, to public and private investors in CDB borrowing member countries; and (c) in strengthening CDB's institutional capacity in the areas of ex-post evaluation, systems development and management, project appraisal and training of subborrowers in aspects of the project cycle.

Date Approved: October 17, 1984.

PREINVESTMENT: The Preinvestment Project will consist of financing preinvestment studies as a means of increasing the number and quality of investment projects formulated in keeping with the priorities established for the economic integration of the Andean countries, and to strengthen the capacity of the CAF to promote such projects. The funds will be used to make subloans to public and private entities for hiring consultants (firms, individuals, specialized agencies, and education institutions) to carryout preinvestment studies for subsequent investments for the development of the Andean subregion.

Borrower/Implementing Agency: Regional, Corporacion Andina de Fomento (CAF).

Terms: $4.3 million equivalent IRC loan. 20 years at 9.5 percent interest per annum. $5.3 million equivalent FSO loan. 40 years at 1 percent interest per annum during the first 10 years and 2 percent per annum thereafter. Total project cost: $15.5 million equivalent.

Purpose and Benefits: To perform its principal functions as the financial agency of the Andean pact, the CAF needs an active and effective capacity – unavailable in its member countries – for the identification, promotion and evaluation of integration projects. In general, investment projects of integrationist content are more complex to evaluate and carry out than country projects. Hence, the experience and expertise acquired by CAF in the identification and evaluation of integration projects is highly useful to member countries in rationalizing and programming investments for future integration projects. In view of this, the program proposed would provide the CAF with everything it needs to perform its function as an "identifier" and "promoter" of specific projects and as a coordinator of sources for financing in the subregion and from the outside including the international financing agencies.

Date Approved: April 10, 1985.

VENEZUELA

AGRICULTURE: The Global Agricultural Credit Program will consist of providing credit to farmers for crops and livestock projects.

Borrower/Implementing Agency: Venezuela, Fondo de Credito Agropecuario (FCA).

Terms: $64.0 million equivalent OC loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $160.0 million equivalent.

Purpose and Benefits: The purpose of the program is to raise national output and lower imports of basic agricultural commodities, raise production of potentially exportable products; raise living standards of the producers through higher farm output and higher earnings; and improve production productivity conditions on the farm holdings by introducing equipment, machinery, technology, infrastructure and inputs, and by providing the necessary technical assistance.

Date Approved: December 12, 1984.

ENERGY: The Expansion of the EDELCA Electrical System Project will consist of the full execution of the transmission system, second stage, and consultancies for the strengthening of EDELCA.

Borrower/Implementing Agency: C.V.G. Electrification del Caroni C.A. (EDELCA).

Terms: $350.0 million equivalent OC loan; 20 years at the Bank's standard variable interest rate per annum. Total project cost: $1,806.5 million equivalent.

Purpose and Benefits: The overall objective of the project will be to meet future energy requirements and to replace thermal generation through the harnessing of the renewable resources of the Caroni River and thus reduce the consumption of oil derivatives.

Date Approved: December 19, 1984.

INDUSTRY: The Global Industrial Credit Program will consist of: (a) credits awarded to industrial firms by way of institutions in the financial sector for investment projects targeted at setting up, revamping, expanding, modernizing and/or improving firms; and (b) techncial cooperation.

Borrower/Implementing Agency: Venezuela, Fondo de Credito Industrial (FONCREI).

Terms: $100.0 million equivalent IRC loan; 15 years at the Bank's standard variable interest rate per annum. Total project cost: $335.0 million equivalent.

Purpose and Benefits: The program will be justified in economic terms in view of the fact that its execution will engender benefits that follow from the new investments within the sector. On the other hand, it will obviate the uncertainties of the financial market with respect to the availability of funds for industrial investment, which shall in turn make it possible to carry out projects that were held up until now, even though they were economically viable.

Date Approved: May 15, 1985.

ASIAN DEVELOPMENT BANK

BANGLADESH

EDUCATION: The Secondary Science Education Sector Project will consist of: (a) provision of fully equipped and furnished new laboratories and multi-purpose science rooms and execution of essential repairs on existing buildings; (b) establishment of nine Secondary Education and Science Development Centers (SESDCs) under the direct control of DSHE; (c) provision of essential science apparatus and laboratory instructional materials for the schools and centers; (d) provision of international academic consulting services; and (e) provision of international and local fellowships.

Borrower/Implementing Agency: Bangladesh, Directorate of Secondary and Higher Education (DSHE) of the Ministry of Education.

Terms: $38.5 million equivalent ADF Special Fund loan, 40 years with a 1.0 percent service charge per annum. Total project cost: $47.0 million equivalent.

Purpose and Benefits: The project will help the Government to relate education to employment, establish science and technology as a basic component of the curricula, reduce the rural-urban gap in educational facilities and improve educational management. The improved quality of science education will contribute to the reduction in the wastage of educational resources and improvement in the efficiency of technical and vocational education and result in an increased supply of skilled scientific and technical manpower.

Date Approved: October 23, 1984.

ENERGY: The Second National Gas Development Project will consist of three parts:

Part A: (a) construction of a 20-inch diameter, 68 km gas transmission pipeline from Bakhrabad to Demra; (b) installation of a new metering and pressure regulating station at Demra; (c) drilling of three new development wells at the Bakhrabad gas field; (d) workover of an existing well at the Feni gas field; (e) installation of five gas treatment plants, four at the Bakhrabad gas field each with a capacity of 60 MMCFD and one at the Feni gas field with a capacity of 40 MMCFD; (f) installation of a fractionation plant of 750 barrels a day at the Bakhrabad gas field; (g) expansion of the gas distribution system in the BSA to Choumuhoni and Maijdee Court; (h) provision of consulting services for project implementation; and (i) provision of training for personnel of BGSL.

Part B: (a) drilling of three development wells, two at the Titas gas field and one at the Habiganj gas field; (b) installation of two gas treatment plants each with a capacity of 60 MMCFD at the Titas gas field; (c) installation of a fractionation plant of 500 barrels a day at the Titas gas field; (d) provision of a new drilling rig; (e) provision of consulting services for project implementation; and (f) provision of training for personnel of BGFCL.

Part C: (a) expansion of the gas distribution system in the TFA to Jinjira, Manikganj, Aricha, Tangail, Kaliganj and Mirkadim; (b) upgrading of three metering and regulating stations, one each at Ashuganj, Ghorasal and Siddhirganj; (c) provision for inspection of the existing 14-inch diameter pipeline from Titas to Demra; and (d) provision of training for personnel of TGTDC.

Borrower/Implementing Agency: Bangladesh, Bangladesh Gas Systems Ltd., Bangladesh Gas Fields Company Ltd., and Titas Gas Transmission and Distribution Company Ltd.

Terms: $109.1 million equivalent ADF loan. 40 years with a 1.0 percent service charge per annum. Total project cost: $157.5 million equivalent.

Purpose and Benefits: The project will increase gas supply in a cost-effective manner and adequately cover gas supply deficits in the TFA and BSA for the period from FY1985/86 to FY1987/88. It will ensure adequate supply of indigenous energy resources leading to a reduction of imported fuels and a saving in foreign exchange. The project will expand gas production, treatment, transmission and distribution facilities so that: (a) indigenous natural gas can meet a higher proportion of the country's commercial energy needs; and (b) gas delivery to end-consumers in the TFA and BSA can be ensured at the required volume and pressure contracted with consumers.

The additional gas that will be made available to consumers for use as fuel as a result of the project will substitute annually on average 1.77 million tons of coal, 180,000 tons of fuel oil and 120,000 tons of kerosene. With the economic gains resulting from the use of gas for the domestic production of fertilizer, the average net foreign exchange savings will amount to $117 million a year; $54 million for Part A, $50 million for Part B and $13 million for Part C. In addition, the project will result in the substitution of 27,000 tons of fuelwood a year by gas which will reduce the depletion of the country's forest reserves. The economic rate of return on the entire project is estimated to be 96 percent.

Date Approved: December 6, 1984.

AGRICULTURE: The Second Livestock Development Project will consist of: (a) the establishment of a Fodder/Nutrition Development Center for carrying out a forage development scheme; (b) the provision of equipment, material, and medicines for animal health improvement; (c) provision of facilities, equipment, and semen for breeding improvement; and (d) strengthening of the Executing Agency through the provision of facilities, equipment, consulting services, and fellowships.

Borrower/Implementing Agency: Bangladesh, Ministry of Agriculture.

Terms: $41.5 million equivalent ADF loan. 40 years with a 1.0 percent service charge per annum. Total project cost: $48.8 million equivalent.

Purpose and Benefits: The main objective of the project is to assist the Government in improving livestock production through a nationwide expansion of its veterinary program, intensification and improvement of animal nutrition and of the genetic potential of the country's livestock. The project will contribute to increased agricultural production and supply of animal protein, improved rural incomes and employment creation. The project will also strengthen the Directorate of Livestock Services (DLS) to provide improved field services to farmers through a nationwide network of Upazilla Livestock Development Centers (ULDCs). It will cover the entire country except the Chittagong Hill Tracts. It is estimated that the project, at full development, will produce about 30,000 mt of various meat products, 20,000 mt of milk, 4,000 mt of eggs, and 500,000 mt of foodgrains per annum. The project will help to increase the income of about 2.7 million farmers by 50 percent to a minimum of $600 equivalent per annum. It will also contribute to the creation of additional 15 million man-days of employment. The estimated economic rate of return is 37 percent.

Date Approved: February 5, 1985.

BHUTAN

URBANIZATION: The Second Multiproject Loan will consist of: (a) Urban Centers Water Supply and Sanitation Subproject (UCWSS) comprises water supply and low-cost sanitation schemes for six urban centers (Thimphu, Paro, Phuntsholing, Tashigang, Gaylegphug, and Samdrup Jongkhar) and consulting services; and (b) Royal Institute of Management (RIM) Subproject consists of the construction of a training institute, the supply of equipment, consulting services, and the provision of international fellowships.

Borrower/Implementing Agency: Bhutan, Planning Commission.

Terms: $7.9 million equivalent ADF loan. 40 years with a 1.0 percent service charge per annum. Total project cost: $9.25 million equivalent.

Purpose and Benefits: The main objectives of the project are: (a) to improve living standards in the six major urban centers by expanding and rehabilitating water supply services and providing low-cost sanitation facilities; and (b) to assist the government in developing managerial and clerical manpower required to modernize the country's public and private enterprises. Most of the benefits from the project are unquantifiable due to the nature of the project. Though there is no statistical evidence, the incidence of waterborne diseases in Bhutan is believed to be very high. With the implementation of UCWSS subproject, around 30,700 more people are expected to benefit directly under the subproject. The UCWSS subproject will have a significant impact on living conditions in the subproject areas, and is expected to result in an improvement in health and public sanitation in these urban centers. The major benefit from RIM subproject will be the gradual relief and ultimate elimination of the shortage of trained manpower which is one of the most critical constraints on the economic and social development of Bhutan.

Date Approved: December 13, 1984.

AGRICULTURE: The Chirang Hill Irrigation Project will reverse the deterioration in the watershed of the project area and increase agricultural productivity through (i) improvement of the existing irrigation infrastructure; (ii) soil conservation works and improved watershed management; (iii) strengthening of agricultural support services for the promotion of crop diversification; and (iv) provision of 25 man-months of consulting services to assist DOA in project implementation.

Borrower/Implementing Agency: Bhutan, Department of Agriculture (DOA).

Terms: $3.6 million equivalent ADF loan. 40 years with a 1.0 percent service charge per annum. Total project cost: $4.35 million equivalent.

Purpose and Benefits: The project will reverse the trend of environmental degradation in the project area which eventually would force the Government to resettle the population at high cost in other parts of the country. It could become a model environmental protection program which could be replicated in other similar areas in Bhutan where low agricultural productivity, in combination with population pressure, results in clearing of the upper watersheds and consequent soil erosion. The project will increase agricultural productivity. At full development, it will produce an additional 2,820 mt of paddy, 925 mt of maize, 818 mt of vegetables and 3,300 mt of fruits per annum. The project will also result in considerable incremental fodder production for livestock. About 1,620 farm households with 15,400 people will directly benefit from the project. The annual net farm income will increase from an average of $245 to $1,231. The project will also generate additional employment opportunities of 360 man-years for skilled workers and 2,200 man-years for unskilled workers during construction. At full development the Project will provide 270 incremental man-years per annum of agricultural employment. The EIRR of the project is estimated at 15.1 percent.

Date Approved: September 17, 1985.

FIJI

INDUSTRY: The Second Fiji Development Bank Project will consist of provision of foreign exchange resources to FDB for specific development projects in Fiji in the fields of manufacturing, including agro-processing and service sectors. The project will also include a $250,000 line of equity from the Bank's ordinary capital resources.

Borrower/Implementing Agency: Fiji Development Bank (FDB).

Terms: $7.0 million equivalent OC loan; 15 years at 10.25 percent interest per annum. Total project cost: $13.8 million equivalent.

Purpose and Benefits: The project will create about 700 job opportunities, lead to the generation of foreign exchange earnings/savings by way of producing goods for export as well as import substitution, and help develop local entrepreneurial skills in the country.

Date Approved: July 16, 1985.

AGRICULTURE: The Agricultural Development Project will consist of: (a) drainage work, clearing and development of existing and new lands; (b) construction of five simple gravity irrigation schemes; (c) provision of drying equipment, storage space and handling facilities, dust removal equipment, and ancillary modifications of Government-owned Rewa Rice mill; (d) construction of a permanent bridge; (e) provision of appropriate technical staff support; and (f) provision of consulting services.

Borrower/Implementing Agency: Fiji, Ministry of Primary Industries (MPI).

Terms: $3.2 million equivalent OC loan; 30 years at 10.25 percent interest per annum. Total project cost: $7.1 million equivalent.

Purpose and Benefits: The project will assist the Government in stepping up production of rice and other staple crops, introducing new agricultural practices, bringing into production agricultural lands hitherto unexploited, involving native Fijians in rice production, and creating new employment opportunities for the rural population. Furthermore, improved rice milling facilities will enhance the rice/paddy recovery ratio. In addition, the 3,000 persons living on Taci Island will benefit from the provision of a bridge that will provide all-weather access for people and goods. The economic rate of return is estimated at 23.4 percent.

Date Approved: November 6, 1984.

INDONESIA

EDUCATION: The Third Senior Technical Schools Project will consist of: (a) upgrading of 24 public Senior Technical Schools (STM) located in 11 provinces, on existing or new sites; (b) establishment of seven new STMs in the Outer Islands; (c) establishment of three new specialized STMs, one each in shipbuilding, graphic arts and industrial chemistry; (d) provision of facilities for specialized courses in industrial instrumentation in two STMs (P), and introduction of basic computer literacy programs to some STM courses; (e) establishment of a Technical Training Center for private STMs; (f) establishment of a Technical Teachers' Upgrading Center; (g) provision of fellowships and staff training programs; and (h) provision of consultant services.

Borrower/Implementing Agency: Indonesia, Ministry of Education and Culture.

Terms: $83.0 million equivalent OC loan ($13.0 million in local currency). 20 years at 10.25 percent interest per annum. Total project cost: $139.0 million equivalent.

Purpose and Benefits: The principal objective of the project is to improve the quality and increase the supply of skilled workers from public and private Senior Technical Schools (STM) through the provision of additional facilities and better formal education and training, and the improvement of the quality of training and supply of technical teachers. Additionally, the project aims at providing students outside Java with greater access to technical education and in so doing, assist in the equitable distribution of educational opportunities among the country's regions. The project's objectives are consistent with the Government's strategy in technical education at the secondary level in the medium term. The project will upgrade the quality of technical education and its relevance to industrial needs, and increase the number of qualified skilled workers to help meet the manpower demand during Repelita IV. At full operation, the project will provide about 6,400 additional places annually for public STM students, besides upgrading the quality of technical education offered at private STMs catering for about 4,000 students. The added benefits of the project will be to upgrade the qualifications and increase the supply of technical teachers at the secondary level, and create more educational opportunities for students in the Outer Islands, thereby assisting in distributing development benefits more equitably among the country's regions.

Date Approved: December 11, 1984.

AGRICULTURE: The Second Kalimantan Livestock Development Project will consist of: (a) livestock procurement, distribution and multiplication; (b) support services; and (c) fellowships and consultant services.

Borrower/Implementing Agency: Indonesia, Directorate General of Livestock Services (DGLS) within the Ministry of Agriculture.

Terms: $60.0 million equivalent OC loan; 25 years at 10.25 percent interest per annum. Total project cost: $100.0 million equivalent.

Purpose and Benefits: The main objective of the project will be to develop a firm base for livestock production in East, Central and West Kalimantan provinces by increasing the quantity and quality of animals held by transmigrant and indigenous small farmers. The project will thus support a number of sectoral objectives of Repelita IV including: meeting domestic demand for meat and increasing overall self-sufficiency in food production; increasing export earnings and reducing imports of livestock products; meeting the demand for draft animals and supplying manure for crop production; and increasing farm incomes and rural employment opportunities. The economic rate of return is estimated at 14.5 percent.

Date Approved: October 15, 1984.

TECHNICAL ASSISTANCE: The Technical Assistance Program Loan-Multisector Program will consist of: (a) preparation of feasibility studies for subprojects approved for inclusion in the program; and (b) preparation of detailed engineering designs for those subprojects for which feasibility studies have been undertaken.

Borrower/Implementing Agency: Indonesia, National Development Planning Agency (BAPPENAS).

Terms: $25.0 million equivalent OC loan; 15 years at 10.25 percent interest per annum. Total project cost: $25.0 million equivalent.

Purpose and Benefits: The program will provide the Government with an opportunity to formulate a well-balanced investment plan for important sectors which would be responsive to the country's development needs. The program will also help improve the capabilities of Government ministries and agencies in identifying, formulating and preparing high-priority projects, and consequently will enhance the country's absorptive capacity. Further it will provide external aid agencies with a pipeline of well-prepared projects for inclusion in their lending operations in Indonesia.

Date Approved: December 18, 1984.

AGRICULTURE: The Land Resource Evaluation and Planning Project will consist of: (a) strengthening the main data base center and provision of a computerized network among national centers; (b) upgrading and expanding the capacity of the Center for Soil Research (CSR), including reconnaissance soil mapping of 30 million ha in Sumatra; (c) improving and systematizing resource data utilization and the physical planning process at provincial (BAPPEDA) level, covering the eight provinces of Sumatra; (d) expanding and upgrading the training capacity in data interpretation and management; and (e) providing project implementation support and coordination services.

Borrower/Implementing Agency: Indonesia, National Coordination Agency for Surveys and Mapping (BAKOSURTANAL).

Terms: $23.4 million equivalent OC loan. 20 years at 10.25 percent interest per annum. Total project cost: $34.9 million equivalent.

ASIAN DEVELOPMENT BANK—Continued

INDONESIA – Continued

Purpose and Benefits: The project will result in improvement in the quality and quantity of the data base required for physical planning, its accessibility to user agencies, and the application of the integrated data base to physical planning-particularly at the provincial level. The resulting efficiency in land use, especially in the agriculture sector, will have a beneficial impact on the productivity of the sectoral programs. Further, the institutional capabilities of the key agencies, viz., BAKOSURTANAL, CSR, and the BAPPEDAs, will be considerably strengthened. The major justification for the project is that it is technically the most effective means of bringing geographically widely-dispersed provincial planning agencies into contact with the necessary data base to fulfill their roles in physical planning.

The project is expected to have a significantly beneficial environmental impact. A national physical planning based on integrated land resource evaluation should result in a better management of the land resources of the country. This will prevent, or at least minimize, the usual environmental degradation such as deterioration of watersheds, erosion of top soils, siltation of rivers, and intensification of run-off resulting in downstream flooding.

Date Approved: January 17, 1985.

WATER SUPPLY AND SEWERAGE: The IKK Water Sector Project will consist of: (a) development of water supply sources; (b) transmission mains, distribution pipelines, flow restrictors, house connections and public standpipes; (c) supplies, equipment, storage facilities, administrative buildings; (d) utility vehicles; (e) consultant services; and (f) training.

Borrower/Implementing Agency: Indonesia, Directorate General of Human Settlements (Cipta Karya) in the Ministry of Public Works (MPW).

Terms: $40.2 million equivalent OC loan; 25 years at 10.25 percent interest per annum. Total project cost: $66.0 million equivalent.

Purpose and Benefits: The project will improve the living conditions of about 1.04 million people in the project areas, with attendant public health benefits such as reduction in morbidity and mortality. It will also contribute to institution strengthening of Cipta Karya and other government agencies at central, provincial and local levels to plan and execute similar projects in the future. Furthermore, it will assist in the establishment of new water enterprises in the project provinces and in the introduction of adequate operation and maintenance procedures including cost recovery measures. In addition, through its training component, the project will contribute to manpower development and will provide local employment opportunities.

Date Approved: January 17, 1985.

EDUCATION: The University of Sriwijaya (UNSRI) Project aims at the upgrading of the University of Sriwijaya at Palembang (South Sumatra) with emphasis on the qualitative improvement of the academic programs of the Faculties of Engineering, Agriculture, Economics and Medicine, the relocation of these faculties; the establishment of courses in energy related disciplines; and the strengthening of the university's regional service function including its community services program. The project will consist of the following major components: (a) consultant services for academic upgrading and for architectural and engineering design and supervision; (b) fellowship and training program for academic and supporting staff; (c) site development and construction; and (d) provision of equipment and media.

Borrower/Implementing Agency: Indonesia, Ministry of Education and Culture.

Terms: $37.9 million equivalent OC loan; 20 years at 10.5 percent interest per annum. Total project cost: $60.4 million equivalent.

Purpose and Benefits: In addition to the direct and indirect benefits for the approximately 13,100 students per year (increasing to about 20,000 students annually by the year 2000) the role of UNSRI as a regional growth center university will be strengthened. UNSRI will be made more responsive to the development needs of the region, particularly to industrial development, and will also be able to assist the other public universities in Southern Sumatra to improve their academic programs and productivity. Through its designated long-term role as an Inter-University Center for energy-related studies, UNSRI is further expected to contribute to strengthening energy studies throughout the country, with special emphasis on oil processing and coal mining. The project will also have considerable impact on the socio-economic betterment of the communities of the region through UNSRI's expanded and improved community services program, which will particularly focus on occupational and environmental health.

Date Approved: May 21, 1985.

TRANSPORTATION: The Eighth Road Project will consist of: (a) improvement of local roads, including construction of bridges; (b) equipment and workshop facilities; and (c) consultant services.

Borrower/Implementing Agency: Indonesia, Ministry of Homes Affairs (MHA), Ministry of Public Works (MPW).

Terms: $120.0 million equivalent OC loan; 25 years at 9.65 percent interest per annum. Total project cost: $201.0 million equivalent.

Purpose and Benefits: The main objectives of the project will be to: (a) enhance economic development in rural areas; (b) provide better mobility to rural communities; (c) increase accessibility in isolated areas by provision of all-weather roads; (d) strengthen the capabilities of the executing agencies and of kabupaten staff to plan, construct and maintain the kabupaten road networks; and (e) introduce suitable techniques and work methods for local road construction, rehabilitation and maintenance. The economic rate of return is estimated at 25 percent.

Date Approved: September 24, 1985.

KIRIBATI

TRANSPORTATION: The Betio Shipyard Rehabilitation Project will consist of: (a) upgrading of the various shipyard sections, including buildings and amenities and utilities; (b) repairing the slipway carriage and foundations; (c) procurement of equipment and tools for the various shipyard sections, including a buffer stock of ship repair materials and spares; and (d) provision of consultant services to assist the Executing Agency in implementation of the project.

Borrower/Implementing Agency: Kiribati, Ministry of Communications.

Terms: $.58 equivalent ADF loan. 40 years with a 1.0 percent service charge per annum. Total project cost: $665,000 equivalent. The ADF also plans to make a $290,000 Technical Assistance grant to the project.

Purpose and Benefits: The project's quantifiable benefits are: (a) reduction of overhead costs; (b) extended life of assets through more regular maintenance and repair; (c) certain minor repair work diverted from foreign shipyards; and (d) additional construction works. The economic rate of return (ERR) is estimated at 14 percent.

Date Approved: December 13, 1984.

KOREA

WATER SUPPLY AND SEWERAGE: The Eighth Water Supply Project will consist of: (a) The Mokpo City Water Supply Scheme – an intake, a pumping station, a treatment plant, transmission mains, a service reservoir and distribution pipework; (b) The Gayang Water Supply Scheme – a new treatment plant, transmission and distribution mains and a service reservoir; and (c) The Dae Cheong Integrated Water Supply Scheme – two pumping stations, three tunnels, a treatment plant, transmission mains, a balancing reservoir and distribution pipework.

Borrower/Implementing Agency: Korea, Mokpo City Government, Incheon City Government, Ministry of Construction.

Terms: $67.0 million equivalent OC loan. 25 years at 10.25 percent interest per annum. Total project cost: 244.8 million equivalent.

Purpose and Benefits: About 1.8 million people in the recipient communities will receive their first treated piped water supply, and 0.7 million people will receive their first treated piped water supply. The increased water supply will promote industrial growth in the four recipient cities, support the development of the planned public facility complexes, and improve sanitation and public health in the recipient communities. The cost of water to the consumer will be reduced by replacing expensive public or private systems with less-costly public systems, and by improving operational efficiency through special studies. The financial rate of return is estimated at 5.7 to 13.4 percent.

Date Approved: November 15, 1984.

WATER SUPPLY AND SEWERAGE: The Ninth Water Supply Project will consist of: (a) construction of a treatment plant (560,000 cum/d capacity) to provide treated water to the cities of Incheon, Bucheon, Kwnag Myeong and the town of Sorae in Siheung County; (b) construction of a pumping facility (470,000 cum/d) at the treatment plant site to pump treated water to Incheon, Bucheon and Sorae; (c) installation of a transmission main (8 km) to carry treated water from the pumping facility to branch mains for Incheon, Bucheon and Sorae; (d) installation of branch mains (8.5 km) to recipient communities; and (e) service reservoirs (100,000 cum aggregate capacity) and distribution pipework (approximately 100 km) within community boundaries.

Borrower/Implementing Agency: Korea, Ministry of Construction.

Terms: $27.0 million equivalent OC loan; 25 years at 10.25 percent interest per annum. Total project cost: $124.23 million equivalent.

Purpose and Benefits: An estimated 2.5 million people will directly benefit from the project – about 1.8 million people will receive an increased treated water supply, and 0.7 million people will receive piped treated water for the first time. The increased water supply will promote industrial growth in Incheon and will improve living standards, sanitation and public health in all four recipient communities. The consumer cost of water will be reduced by replacing expensive temporary supplies from Seoul and Banweol with less costly permanent systems, and through the reduction of NRW. Special studies to improve operational efficiency and economy can also be expected to reduce consumer costs. The capabilities of waterworks personnel will be enhanced through training, association with consultants and improvement of accountability. The financial rate of return (FRR) for the project is 16.9 per cent.

Date Approved: December 11, 1984.

LAOS

ENERGY: The Xeset Hydropower Project will consist of about 80 man-months of consulting services: (a) phase one will recommend an optimal development of the Xeset site complete with preliminary design, cost estimates, energy production and cost per kWh delivered to the transmission system; (b) phase two will include all the engineering work from final design of all civil, hydraulic, and electromechanical works for the selected installation, including the preparation of tender documents.

Borrower/Implementing Agency: Laos, Electricite du Laos.

Terms: $1.0 million equivalent ADF loan. 40 years with a 1.0 percent service charge per annum. Total project cost: $1.25 million equivalent.

Purpose and Benefits: The technical assistance loan will enable: (a) the completion of field investigation and optimization studies for an anticipated hydropower installation of 25 MW on the Xeset river; and (b) the completion of detailed plans and specifications and preparation of tender documents for the construction of the Xeset Hydropower Project. The Xeset Hydropower Project will provide reliable and economic power to the southern provinces of Saravane and Champassak and, while demand is developing in these areas, it will also provide the country with considerable export earnings through power sales to Thailand.

Date Approved: October 23, 1984.

AGRICULTURE: The Second Forestry Development Project will consist of support to four state enterprises viz: (a) the Lao Plymill; (b) the Parquet factory; (c) the Rattan Furniture Factory; and (d) State Forest Enterprise No. 9.

Borrower/Implementing Agency: Laos, Ministry of Industry, Handicraft and Forestry.

Terms: $8.0 million equivalent ADF loan. 40 years with a 1.0 percent service charge per annum. Total project cost: $13.41 million equivalent. There is also a $350,000 technical assistance grant.

Purpose and Benefits: The government aims at expanding the forest industry, reducing production costs, and improving the utilization of available wood resources for increased export earnings and for an adequate supply of wood-based products to the domestic market. The project will contribute to these efforts through: (a) fuller utilization of equipment and facilities provided under the first project; (b) further processing of the products; (c) conversion of waste wood from the industry and small wood from the logging operations into exportable products; (d) transfer from land based to essentially river based long distance transport of logs; and (e) maintenance and improved management of the forest resources.

The project investments are expected to bring about substantial increases of production in all the four state enterprises. At full operation in 1990, the annual incremental output is expected to be about 25,500 cu m of logs, 2,400 cu m of plywood, 12,800 cu m peeled veneer, 1,500 cu m of sliced veneer, 3,000 cu m of blockboard and doors, 2,820 cu m of matched and mosaic parquet and 45,000 pieces of export quality knocked-down rattan funiture. While the entire additional output of logs will be processed locally, it is expected that by 1990, 50 percent of the additional output of blockboard, 80 percent of plywood and matched parquet, 95 percent of rattan furniture and all the veneer and mosaic parquet will be exported. The foreign exchange earnings from the exports are estimated at $7.4 million per annum (at 1984 constant prices) from 1990 onwards. The non-exported portion of the production of the enterprises is expected to satisfy the domestic demand for plywood and blockboard. The latter is considered to be of particular importance to the domestic furniture manufacturing industry. The river transport component is expected to reduce the transport cost of logs from SFE 9 to the Lao Plymill from K1,400 per cu m at present to K420 per cu m (by 70 percent). The facilities for unloading of logs for the Lao Plymill at Thanaleng will also be used to receive logs from SFEs 1 and 3. Thus, the cost of the mill's total log supply will be reduced considerably. Also, other wood-based industries in Vientiane will benefit from this cost reduction. The estimated economic rate of return for the entire project is 34 percent.

Date Approved: December 11, 1984.

MALAYSIA

AGRICULTURE: The Forestry Project will consist of: (a) 25 to 30 different subprojects on cut-over forest lands covering a total of about 40,000 ha in four States of Johor, Pahang, Selangor and Negri Sembilan, each subproject will include the following activities for plantation establishment: (1) land clearing by manual or mechanical means and establishment of plantations with adequate fertilizer application, appropriate pest control measures and seedling production; (2) upgrading of existing logging roads, including construction of new roads; (3) establishment of fire breaks, fire look-out towers and installation of fire-fighting equipment; (b) institutional support through vehicles, maintenance of roads and fire look-out towers and civil works; (c) in-country and overseas training to staff; and (d) short-term consulting services.

Borrower/Implementing Agency: Malaysia, Federal Forestry Department.

Terms: $24.5 million equivalent OC loan; 20 years at 10.25 percent interest per annum. Total Project cost: $49.1 million equivalent.

Purpose and Benefits: The project, designed in a sector lending mode, has been formulated to support a 3-year time slice of Government's long term Compensatory Plantation Program in designated areas. The program will aim at attaining domestic self-sufficiency in general utility timber through planting of selected areas with fast growing timber species. The project will represent a significant step towards a more rational land use through intensive and profitable cultivation of small areas inasmuch as degraded secondary forests will be replaced by new plantations offering an annual volume growth of merchantable timber of about 17 to 24 cu. m. per ha. Over the economic life of the project an incremental production of 11.7 million cu. m. of smallwood and logs is projected with an approximate stumpage value of $390.0 million in 1984 prices. The additional output will enable traditional timber species to be diverted for export to earn higher foreign exchange. Secondary benefits will include a boost to the private sector through the employment of currently under-utilized plantation contractors. The financial rate of return (FRR) and the economic rate of return (ERR) for evaluated sub-projects range from 14.5 to 16.3 percent and 21.4 to 23.1 percent respectively.

Date Approved: November 29, 1984.

AGRICULTURE: The Trengganu Smallholders Development Project will consist of: (a) replanting of about 14,000 ha of old unproductive rubber smallholdings with oil palm and high-yielding rubber; (b) complete the development of 37 existing mini-estates, with an area of about 5,200 ha, planted since 1979; (c) provision of 21 small factories for processing latex on existing mini-estates; (d) provision of a mill to process oil palm fruit; (e) consultant services for the design, preparation of tender documents, and supervision of construction of the rubber processing facilities; (f) training for RISDA field staff; and (g) provision of support facilities for RISDA.

Borrower/Implementing Agency: Malaysia, Federal Land Development Authority (FELDA), and the Rubber Industry Smallholder Development Authority (RISDA).

Terms: $25.4 million equivalent OC loan; 20 years at 10.25 percent interest per annum. Total project cost: $61.4 million equivalent.

Purpose and Benefits: In broad terms, the project will create more remunerative employment opportunities, demonstrate more-efficient land use, expand rubber and oil palm production and processing facilities, and lead to the institutional development of RISDA. About 7,000 farm families are expected to benefit from increased net cash farm income resulting from the development under the Project. In specific terms, the incremental annual production from newly replanted areas will be 4,600 mt of rubber, 42,000 mt of palm oil and 11,800 mt of palm kernels, for a total export value of $31.2 million. The existing mini-estates will realize incremental annual production of 6,100 mt of rubber, 2,300 mt of palm oil and 700 mt of palm kernel, with a total export value of $9.3 million. After deducting the foreign exchange costs of fertilizers and chemicals there will be an annual net export earning of $37.8 million. The annual average cash income of a rubber smallholder on an individual smallholding is likely to increase by about 100 percent, from the present average level of about US$810 per year to about US$1640 per year from rubber, including remuneration for his own labor, or by about 150 percent from oil palm group replanting scheme to about US$2020 excluding 160 mandays of labor that can be used for other economic activities. Implementation of the Project will provide about 7,400 man-years of employment and its maintenance thereafter about 4,720 man-years. The Project's economic rate of return is estimated at 17 percent.

Date Approved: November 20, 1984.

ENERGY: The Sungai Piah Hydropower Project will consist of: (a) construction of diversions, intake structures, powerhouses and tunnels; (b) installation of electrical and mechanical equipment, including turbines and generators; (c) installation of transmission lines and substation equipment; and (d) provision of consulting services for engineering design and construction supervision, and of specialist technical services.

Borrower/Implementing Agency: National Electricity Board of the States of Malaya (NEB).

Terms: $64.2 million equivalent OC loan. 20 years at 10.25 percent interest per annum. Total project cost: $141.6 million equivalent.

Purpose and Benefits: The project will constitute the final phase of the Upper Perak Hydroelectric Development Plan in the State of Perak, Peninsular Malaysia. The project is designed as a 64 MW high-head run-of-river hydroelectric development, comprising an upper scheme (13 MW) and a lower scheme (51 MW) in cascade. The hydroelectric energy of about 378.7 GWh per annum generated by the project will be fed into the NEB's central supply system, and this will result in fuel-cost saving for the system to the extent of about $16.5 million per annum initally. An estimated 3.5 million consumers will benefit from lower electricity tariffs which will be made possible by the project through substitution of higher-cost oil-based generation by lower-cost hydroelectric energy. The financial rate of return is estimated at 14.7 percent.

Date Approved: December 15, 1984.

URBANIZATION: The Kedah Regional Development Project will consist of: (a) regional township development involving infrastructure development, low-income group housing, retail and service facilities and public facilities; (b) income-earning support activities consisting of agricultural and industrial components; (c) regional infrastructure consisting of roads and bridges; (d) building, equipment and transport for a training center which will provide training in project-related activities to the residents of the project area; and (e) institutional support for KEDA.

Borrower/Implementing Agency: Malaysia, Kedah Regional Development Authority (KEDA).

Terms: $45.0 million equivalent OC loan; 20 years at 10.25 percent interest per annum. Total project cost: $99.9 million equivalent.

Purpose and Benefits: The project will be the first phase of a long-range plan for the development of major part of Kedah State by KEDA and will aim at improving the living conditions of the poor in the project area by developing urban-type facilities in lower order settlements, which will serve as nuclei to support the development of surrounding villages. The economic rate of return is estimated at over 15 percent.

Date Approved: January 8, 1985.

NEPAL

ENERGY: The Sixth Power Project will consist of:

I. *Marsyangdi Transmission Lines:* (a) construction of 85 km of 132 kV single-circuit transmission line from Marsyangdi to Balaju and 30 km of single-circuit transmission line from Marsysangdi to Bharatpur; and (b) engineering services.

II. *Subtransmission and Distribution System Extension and Reinforcement:* (a) construction of six rural electrification schemes in the Terai area; (b) distribution extensions of 33 kV lines to six secondary towns from the main electricity grid being constructed under the Bank's Fourth Power Project; and distribution rehabilitation works in Jankapur and Nepalganj; (c) miscellaneous system expansion and operational/maintenance works; and (d) engineering services.

Borrower/Implementing Agency: Nepal, Electricity Department

Terms: $29.3 million equivalent ADF loan. 40 years with a 1.0 percent service charge per annum. Total project cost: $41.7 million equivalent.

Purpose and Benefits: The project is consistent with the Government's objective to develop indigenous energy resources to substitute imported fuel and to provide reliable power supply to industry and irrigation and to service domestic consumers. Under part A of the project, the electricity generated at Marsyangdi hydropower station will be supplied to consumers in Nepal and possibly to India if arrangements for export can be made. The Marsyangdi project is the least-cost solution based on several alternatives and its FRR is estimated at 5.9 percent. For Part B of the project, all the subcomponents have been examined against the alternative of diesel generation. The results of these analyses indicate that supplying electricity to the schemes from the grid system is more economical than by diesel generation. The comparison of grid extension costs versus diesel generation costs show that the least attractive rural electrification scheme (Simra) has an EDR (equalizing discount rate) of 30 percent and the least attractive extension scheme (Bahadurganj) of 32 percent.

The project will benefit existing users of electric power, especially industry, trade and hotels and irrigation schemes by enabling them to take a dependable power supply free of interruption. An estimated 200,000 people living in secondary towns and rural areas will benefit from part B of the project. The most tangible benefits for consumers will be cost savings arising from the substitution of electricity for the imported fuels. In addition, the usual socioeconomic and non-quantifiable benefits from rural electrification are also expected to accrue from the project. These include the creation of more rural employment, a reduction in fertility and illiteracy ratios and an improved quality of rural life.

Date Approved: November 20, 1984.

WATER SUPPLY AND SEWERAGE: The Rural Water Supply Sector Project will consist of: (a) construction of new piped water supply systems in about 75 rural communities mainly in the hills and mountain areas; (b) installation of about 5,000 shallow tubewells with handpumps in about 175 communities in the Terai area; (c) provision of office accommodation, equipment, and vehicles; and (d) consulting services and training.

Borrower/Implementing Agency: Nepal, Ministry of Water Resources.

Terms: $10.2 million equivalent ADF loan. 40 years with a 1.0 percent service charge per annum. Total project cost: $12.0 million equivalent.

Purpose and Benefits: When the project facilities are fully utilized nearly one million rural people will benefit directly under the project. The project will have the greatest beneficial impact by the provision of safe water on public health. It will contribute to the reduction of mortality and morbidity (particularly among young children), caused by water-borne, water-based, and parasitic diseases. In addition to public health benefits, the provision of a readily accessible water supply will greatly alleviate hardships imposed by long walking for water supply collection from springs and streams. Time saved could be used for child care, income generation, and agricultural activities.

Date Approved: December 11, 1984.

AGRICULTURE: The Hill Agriculture Development Project will consist of three major components: (a) infrastructure support for agricultural production–upgrading/construction of 32 km of road and 18 suspension bridges (transport infrastructure), and upgrading/construction of minor irrigation schemes covering 2,500 ha. (irrigation infrastructure); (b) agricultural credit through credit lines to ADBN to facilitate increased use of agricultural inputs and to encourage crop diversification; and (c) strengthening of agricultural support agencies through strengthening of DOA extension services, and the provision of credit for horticulture services. The project will also include provision of equipment and vehicles, and consulting services and training.

Borrower/Implementing Agency: Nepal, Ministry of Agriculture.

Terms: $18.9 million equivalent ADF loan. 40 years with a 1.0 percent service charge per annum. Total project cost: $22.3 million equivalent.

Purpose and Benefits: The project is designed to increase agricultural production and to alleviate rural poverty in the hill areas of four districts of Makwanpur, Lalitpur, Kavre, and Sindhupalchok in the Central Region of Nepal covering about 6,220 sq km. The primary objectives of the project are to: (a) alleviate regional food deficits; (b) increase rural incomes; and (c) alleviate the pressure on limited land resources by increasing production per unit area. At full development the project will result in incremental annual production of 15,590 mt of paddy, 8,890 mt of maize, 4,290 mt of wheat, and 15,100 mt of potatoes. Vegetable production will go up by 6,875 mt and horticulture crops, by 5,830 mt. An estimated 50,000 farm families representing about 300,000 rural people will benefit directly from the project. The annual net farm incomes of full owners benefiting from the project will increase by $17-$140 depending on the project components in which they participate. The estimated economic rate of return is 24.3 percent.

Date Approved: December 13, 1984.

PAKISTAN

AGRICULTURE: The Left Bank Outfall Drain Project will consist of: (a) completion of the remaining sections (about 250 km) of the spinal drain; (b) construction of a surface drainage network for a gross command area (GCA) of about 578,000 ha, with main, branch, and subdrains; (c) installation of about 1,490 drainage tubewells for subsurface drains of about 286,000 ha of cultivable command area (CCA) CCA; (d) tile drainage using corrugated polyvinyl chloride pipe laterals for about 21,000 ha, totalling 1,860 km in length; (e) installation of about 550 km of horizontal interceptor drains; (f) construction of an 11 kV distribution system to power pumps for drainage tubewells and other drainage facilities; (g) remodelling of about 175 km of the Nara canal and about 88 km of the Jamrao canal to increase their effective capacity; (h) construction of the Chotiari reservoir by installing about 56 km of embankment on the existing lake; (i) improvement of about 920 watercourses and precision land levelling of about 26,000 ha of CCA; (j) provision of necessary equipment and machinery for operation and maintenance of the project works; and (k) provision of consultant services to assist WAPDA and the Department of Irrigation and Power of Sind (SDIP) in project implementation.

Borrower/Implementing Agency: Pakistan, Water and Power Development Authority (WAPDA)

Terms: $129.2 million equivalent ADF loan. 40 years with a 1.0 percent service charge per annum. Total project cost: $654.8 million equivalent.

Purpose and Benefits: The principal objectives of the project are to reverse the present deteriorating trend of the land resource base in the project area–comprising Nawabshah, Sanghar, and Mirpukhas–due to waterlogging and salinity, to reclaim land recently abandoned, to increase crop yields and cropping intensity, and to improve farm family incomes. These objectives are to be achieved through the provision of a comprehensive and effective drainage system providing surface drainage for about 517,000 ha CCA and sub-surface drainage relief to about CCA, and of an increased water supply for irrigation.

At full development, cropping intensity will be increased from 89 percent to 114 percent; and annual incremental crop production is estimated at about 312,000 mt of wheat, 298,000 mt of seed cotton, 286,000 mt of sugarcane and 248,000 mt of other crops, with a total estimated value of about $235.0 million. A total of about 98,000 tenants and 42,000 owner-cultivators will share the direct project benefits. The project will generate about 90,000 man-years of employment opportunities during the eight-year construction period, and about 42,000 man-years of sustained farm employment per year after project completion.

Date Approved: October 25, 1984.

HEALTH: The Second Health and Population Project will consist of: Part I: (a) construction and equipping of Basic Health Units; (b) construction and equipping of a medical equipment workshop and establishing a biomedical technician training course; (c) improvement and equipping of nursing schools and a paramedical school; and (d) consultants, fellowships and training. Part II: (a) construction and equipping of Regional Training Institutes; (b) training supplies and equipment for family planning services in health outlets; (c) support for new approaches to family planning; and (d) consultants, fellowships and training. Part III: (a) establishing and equipping of a Nursing Curriculum Development and Planning Cell of MOH and improvement of a nursing college and two nursing schools; (b) establishment of a training program for health services administrators; and (e) consultant services and fellowships.

Borrower/Implementing Agency: Pakistan, Department of Health of the Province of Sind, Population Welfare Division of the Ministry of Health, Special Education and Social Welfare (MOH).

Terms: $16.0 million equivalent ADF loan; 40 years with a 1.0 percent service charge per annum. Total project cost: $20.0 million equivalent.

Purpose and Benefits: The project will improve the delivery of health and population welfare services in Pakistan. The provision and expansion of these services is expected to contribute to improvements in the general health of the population.

Date Approved: November 29, 1984.

AGRICULTURE: The Chasma Command Area Development Project will consist of two components: I. Drainage Component (a) provisions of about 1,000 km of interceptor drains to serve about 18,160 ha and about 85 small pump stations for fresh water recovery for irrigation use; (b) provision of about 500 km of subsurface drains to cover about 10,800 ha of existing and potentially water-logged areas, and about 30 small pump stations; (c) provision for improvement and construction of surface drains totalling about 95 km, and construction of a low-lift drainage pump station with flapgated structure; (d) provision of electrification facilities for all pump stations; (e) provision of equipment for investigation and design, and for maintenance of drainage facilities; (f) provision of preparatory works, including establishment of offices and staff accommodation; and (g) provision of about 102 man-months of consulting services to assist WAPDA in design and implementation of the Drainage Component. II. Agricultural Development Component (a) construction of about 160 new watercourses to serve about 15,860 ha of new irrigation area; (b) establishment of demonstration farm plots on about 300 ha of land and provision of necessary equipment therefor; (c) provision of about 75 km of service roads for the new irrigation area; (d) strengthening of the existing agricultural extension office and research station and of four seed multiplication farms in D.I. Khan district, through provision of equipment and facilities; and (e) provision of about 36 man-months of consulting services to assist NWFP in implementing the Agricultural Development Component.

Borrower/Implementing Agency: Pakistan, Water and Power Development Authority (WAPDA).

Terms: $42.1 million equivalent ADF loan; 40 years with a 1.0 percent service charge per annum. Total project cost: $71.5 million equivalent.

Purpose and Benefits: At full development, incremental production of major crops will include 79,000 mt of cereals, 277,000 mt of sugar cane and 12,000 mt of cotton. Typical farm net incomes of about 10,700 families will increase from $670 to $1,700 per annum. About 2,000 man-years of employment opportunities will be generated during the five-year construction phase, and after project completion an additional 11,700 man-years of sustained employment will be created. The economic rate of return of the project is estimated at 12 percent.

Date Approved: December 13, 1984.

ENERGY: The Tarbela Extension Project will consist of: (a) construction of a cofferdam and civil works for the powerhouse; (b) construction of a penstock from tunnel no. 3 to the powerhouse; (c) installation of two hydroelectric generating units of 432 MW each and two matching turbines complete with ancillary equipment; (d) extension of the existing 500 kV switchyard; and (e) consulting services for project implementation.

Borrower/Implementing Agency: Pakistan, Water and Power Development Authority (WAPDA)

Terms: $137.2 million equivalent OC loan. 25 years at 10.25 percent interest per annum. $33.7 million equivalent ADF loan. 40 years with a 1.0 percent service charge per annum. Total project cost: $572.5 million equivalent.

Purpose and Benefits: WAPDA's long-term expansion plans are based on maximum exploitation of hydropower and it is planning to implement a number of large hydroelectric projects. Notwithstanding its substantial power development program, the demand for power in the 1990s is expected to continue to exceed generation capacity. Load restriction measures, including load shedding, will need to be implemented over this period. Currently up to 868 MW, equivalent to about 25 percent of system peak demand, is shed during peak periods especially during the dry months of the year. The chronic shortage of power continues to hamper the economic and industrial development of Pakistan. The primary economic justification for the project is that it provides the least-cost solution for the expansion of the power supply to WAPDA's service area and will contribute towards the development of a broad-based and reliable power system which is essential for the continued economic and social development of Pakistan.

The major economic benefits of the project will be indirect and largely unquantifiable. The benefits will accrue from increased industrial production made possible by the provision of adequate power supplies to areas of expanding industrialization. The financial rate of return and the economic rate of return of the project have been estimated at 17.9 percent and 19.7 percent, respectively.

Date Approved: October 25, 1984.

AGRICULTURE: The Gujranwala Agricultural Development Project will consist of: (a) rehabilitation of irrigation infrastructure; (b) improvement of the farm-to-market road system; (c) provision of agricultural inputs; (d) strengthening of agricultural institutions; and (e) provision of credit for the establishment of small scale rural enterprises.

Borrower/Implementing Agency: Pakistan, Water and Power Development Authority and Agricultural Development Bank.

Terms: $29.4 million equivalent ADF loan. 40 years with a 1.0 percent service charge per annum. Total project cost: $45.9 million equivalent.

Purpose and Benefits: The objectives of the Project are to increase crop production and create off-farm income earning opportunities, thereby increasing rural incomes, particularly those of small farmers and landless families. Project formulation has also taken account of the budgetary constraints of the Punjab's Annual Development Program and of the Punjab's policy of equitable distribution of resources between districts. The Project will directly benefit about 19,000 farm households through agricultural infrastructure components and 8,450 families through the credit program. All 102,000 farm households in the project area are expected to benefit from the extension and fertilizer components. At full development, cropping intensity will be increased from 35 percent to 139 percent; annual incremental crop production at projected farmgate economic price is estimated at $23.0 million annually and that from the enterprises to be established under the credit program at $7.2 million annually. The project will, in addition, generate about 15,500 man-years of employment opportunites annually at full development in 1993/1994. The estimated economic rate of return is 29 percent.

Date Approved: February 19, 1985.

PAPUA NEW GUINEA

TRANSPORTATION: The Ports Development Project will consist of: (a) Port Moresby – construction of a fender dolphin and provision of reclaimed storage area and ancillary facilities for the main wharf; (b) Kimbe – extension and strengthening of the existing wharf and access bridge, relocation of two mooring dolphins, construction of a small ships wharf and provision of additional cargo storage areas, port buildings and ancillary facilities; (c) Oro Bay – construction of two breasting and two mooring dolphins, rehabilitation of the existing wharf and ancillary works; (d) Bialla – construction of an off-shore loading jetty for overseas palm oil tankers, and provision of ancillary facilities; and (e) consultant services – provision of consultant services for detailed design and construction supervision.

Borrower/Implementing Agency: Papua New Guinea, Papua New Guinea Harbours Board (PNGHB).

Terms: $11.0 million equivalent OC loan; 24 years at 9 to 5 percent interest per annum. There is also a $120,000 technical assistance grant. Total project cost: $15.34 million equivalent.

Purpose and Benefits: The main objective of the project is to enable the Government to provide adequate and efficient port facilities at Port Moresby, Kimbe, Oro Bay, and Bialla to satisfactorily serve the requirements of domestic and overseas trade. With the improvements in the project port facilities, the competitiveness of the country's exports such as palm oil, palm kernel, copra, and forestry products will be enhanced and transportation costs reduced. The project will also provide institution building assistance through the provision of advisory and operational technical assistance for the establishment of an improved management information system at PNGHB. The estimated economic rate of return is 19.5 percent.

Date Approved: July 2, 1985.

PHILIPPINES

ENERGY: The PNOC Energy Project will consist of: Part A Petroleum Refining: (a) debottlenecking of vacuum tower; (b) installation of a Merox unit; (c) process control upgrading; (d) miscellaneous improvements and rehabilitation schemes; (e) operating equipment and spare parts; (f) training and technical services; (g) consulting services for implementation and for undertaking an energy conservation study. Part B Coal Mining: (a) provision of mine development equipment; (b) provision of operating equipment, materials, and spares; (c) provision of equipment and consulting services to carry out geohydrologic and geotechnical exploration work; (d) provision of operating equipment, spares, and material to sustain production; (e) consulting services in the field of mine engineering and operations planning. Part C Shipping: (a) drydocking, maintenance, and operations of a coastal fleet of 44 tankers, tugboats, and barges; and (b) drydocking, maintenance, and operations of four ocean-going tankers. Also, advisory technical assistance grants for a Refinery Sector Rationalization Study and an Institutional Strategy Study.

Borrower/Implementing Agency: Philippine National Oil Company (PNOC).

Terms: $85.0 million equivalent OC loan. 15 years at 10.25 percent interest per annum. Total project cost: $109.0 million equivalent.

Purpose and Benefits: The principal efficiency improvement related benefits to be derived from the project will include: (a) substantial reductions in the amount and cost of imports of petroleum products on a net basis; (b) a reduction in the energy and materials used by the refinery; and (c) increased production from existing mines, and a reduction in imported coal; and (d) substantial foreign exchange savings through the use of overhauled vessels of the PNOC fleet instead of foreign oil tankers. In addition to improvements in efficiency and productivity, consulting services will strengthen the planning and operational capabilities of PNOC in petroleum refining and coal mining activities. Base cases for the investments proposed under the project have been estimated to yield financial and economic internal rates of return ranging from 20 to over 100 percent.

Date Approved: December 15, 1984.

ENERGY: The Second Power Development Project will consist of: (a) reinforcement of the Luzon transmission system by the construction of a 230 Kv power line and four associated substations, spare parts; (b) equipment, and materials; (c) improved computer hardware and software; and (d) a telecommunications system.

Borrower/Implementing Agency: Philippines, National Power Corporation (NPC).

Terms: $33.0 million equivalent OC loan. 20 years at 10.25 percent interest per annum. Total project cost: $52.34 million equivalent.

Purpose and Benefits: The primary objective of the project is to improve the overall standard and reliability of electric power service provided by NPC and reduce the power system outages at minimum capital cost through reinforcement, rehabilitation, repair and maintenance of existing facilities.

The project represents a continuation of the Bank's support of the Government's National Energy Program, and is in line with the Bank's strategy for promoting the efficient use of resources through the rehabilitation of existing production capacities. Under the country's present constraint in providing for capital expenditure on new development, the project appropriately seeks, through reinforcement, maintenance and repair of existing power plants and facilities, to improve the transmission capacity and the availability of equipment and hence the standard of service to consumers.

Date Approved: December 20, 1984.

AGRICULTURE: The Allah River Irrigation Project will consist of: (a) construction of an irrigation system with two diversion dams and 199 km distribution channels for 18,800 ha and other related civil works, including the construction of drainage facilities, improvement of service and access roads and the provision of riverbank erosion control works; (b) watershed management works through reforestation of 10,500 ha of severely eroded forest land, agro-forestation development on about 2,800 ha of cultivated land subject to soil erosion, and construction of 70 silt detention dams and other soil erosion control structures; (c) agricultural development through an improved cropping pattern under rotational irrigation, the establishment of two 150 ha pilot demonstration farms (PDF) including training facilities and necessary office and farm equipment, and provision of facilities for Project Benefit Monitoring and Evaluation (PBME); (d) the provision of rural water supply and upgrading of health services through the construction, rehabilitation or installation of 402 deep tubewells and 20 barangay health stations as well as their provision with equipment and initial medical supplies; and (e) consulting services and training to assist in the design and implementation of the project, and to provide training to selected extension and research personnel in on-farm water management and institutional development of water user groups.

Borrower/Implementing Agency: Philippines, National Irrigation Administration (NIA).

Terms: $27.9 million equivalent OC loan. 24 years at 10.25 percent interest per annum. Total project cost: $73.0 million equivalent.

Purpose and Benefits: The direct economic benefits of the project mainly accrue from increased crop production generated by intensified utilization of land with improved irrigation facilities. Quantifiable primary benefits will derive from incremental rice and seed cotton production providing annually 80,510 tons of paddy, 5,000 tons of seed cotton and 1,900 tons of cotton lint at full development, and have an estimated economic value (at farm gate prices) at full development of about $18.3 million per year representing a net foreign exchange saving of $12.1 million per year. In addition to the nonquantifiable benefits from watershed management, fast growing wood species will be planted for local sale on an eight-year rotation basis, yielding about 450 cubic meters of wood per hectare, having an estimated annual net economic value of $2.0 million. The provision of service roads will improve local transportation. In addition, over 12,000 rural households will benefit from improved health and water supply services, reducing gastrointestinal infections and waterborne diseases. Annual net farm incomes will rise from between $250-$489 to between $545-$1,205 equivalent, or by 118 to 146 percent. The estimated economic rate of return is 13.5 percent.

Date Approved: December 20, 1985.

SOLOMON ISLANDS

TRANSPORTATION: The Guadalcanal Road Improvement Project will consist of: (a) improvement of gravel roads, upgrading gravel road to bitumen sealed standard, rehabilitation and upgrading of a damaged road; (b) bridge construction; (c) equipment for project execution and road maintenance; and (d) consultant services.

Borrower/Implementing Agency: Soloman Islands, Ministry of Communications and Public Utilities (MCPU).

Terms: $2.1 million equivalent ADF Special Fund loan; 40 years with a 1.0 percent service charge per annum. Total project cost: $6.5 million equivalent.

Purpose and Benefits: The main objective of the project will be to provide reliable low-cost transportation facilities in the Guadalcanal Plains – the most fertile and economically important part of the country with potential for further agricultural development – and thereby support Government's efforts to increase and diversify agricultural production. The project will also enhance the capability of the MCPU in the design, construction and maintenance of roads, primarily through on-the-job training to be given to its personnel and through equipment for road maintenance which will be available after completion of the project. The economic rate of return is estimated at 15.6 percent.

Date Approved: November 6, 1984.

SRI LANKA

AGRICULTURE: The Plantation Sector Project will consist of: (a) field development covering tea infilling and some replanting of all three crops, diversifying unproductive tea areas into fuelwood and minor export crops and rehabilitating soil and moisture conservation structures; (b) provision of field and nursery equipment; (c) provision of vehicles for transport of inputs and produce and for field supervision; (d) rehabilitation of processing facilities for all three crops and provision of some new processing facilities for coconut and rubber estates; (e) rehabilitation of mini hydropower sets on some estates; (f) improved housing and social welfare facilities for estate staff and labor; (g) manpower and institutional development through training and enhanced planning and monitoring capabilities; (h) provision of consulting services for the mini-hydropower, rubber, institutional development, planning and monitoring components; and (i) provision of funds to the Ministry of Plantation Industries for the preparation of a medium-term investment program for tree crop smallholders.

Borrower/Implementing Agency: Sri Lanka, Sri Lanka State Plantation Corporation (SPC) and Janatha Estates Development Board (JEDB).

Terms: $47.8 million equivalent ADF loan. 40 years with a 1.0 percent service charge per annum. Total project cost: $244.7 million equivalent.

Purpose and Benefits: The project will reverse the decline in Sri Lanka's production and exports of tea, rubber and coconut through investment in production and processing facilities, and to sustain higher productivity through improved producer margins, better sector coordination and planning and increased efficiency in SPC and JEDB. It will be directed primarily at rehabilitation of the estates and improvement of the operations of JEDB and SPC. Net export earnings from incremental production of tree crops on full development would amount to about $65.0 million annually (1984 prices). Average estate yields are expected to rise from 970 kg/ha to 1500 kg/ha (tea) and from 670 kg/ha to 1110 kg/ha (rubber). Estate rehabilitation will sustain the employment and livelihood of over 0.5 million plantation workers. The health and welfare of plantation labor will improve significantly. Improvement in the tree crop investment financing structure, in sector policy planning and in the management of sector institutions will support field and factory investment in restoring to the plantations a pivotal role in economic development. The economic rate of return and the financial rate of return of the project are estimated at 25 percent and 18 percent, respectively, and remain high under adverse assumptions.

Date Approved: December 4, 1984.

ENERGY: The Secondary Towns Distribution Project will consist of: the takeover, rehabilitation and expansion by LECO of 10 distribution systems operated by local authorities and to develop within LECO efficient corporate, management and financial structures. The Project will comprise: (a) the construction of 46 km double circuit and 26 km single circuit 33 kV overhead lines; (b) modifications and minor extensions to existing 33/11 kV substations; (c) an increase in the transformer capacity of a 33/11 kV substation from 10 MVA to 24 MVA; (d) construction of 140 km of 11 kV overhead lines, distributors and spurs; (e) installation of capacitors, load break switches, isolating dropout units and auto reclosers; (f) installation of 11,500 new consumer connections and rehabilitation of 13,250 connections including the provision of meters; (g) provision of construction, communications and O&M equipment; and (h) provision of consulting services for Project implementation and institution building.

Borrower/Implementing Agency: Sri Lanka, Lanka Electricity Company Ltd. (LECO)

Terms: $13.0 million equivalent ADF loan. 40 years with a 1.0 percent service change per annum. Total project cost: $17.6 million equivalent.

Purpose and Benefits: The Project will initiate the rationalization of the power distribution system in Sri Lanka, which suffers from a high degree of fragmentation, low investment, inadequate O&M and high system losses. It will assist LECO to develop the financial, administrative and technical capacity it requires to manage its assets and, through a phased expansion program, prepare it to play the central role envisaged for it in the operation of Sri Lanka's distribution system. Specific benefits will include: (a) reduction in system losses; (b) improvement in the reliability of supply; (c) increase in the number of consumers and of electricity sales; and (d) reduction in fuel imports through more efficient use of system resources. The Project's economic rate of return and the financial rate of return have been calculated at 17.1 percent and 14.4 percent, respectively.

Date Approved: January 22, 1985.

THAILAND

TELECOMMUNICATIONS: The Rural Telecommunications Project will consist of: (a) 158 Time Division Multiple Access (TDMA) central stations; (b) 115 drop and 62 through repeaters; (c) 1,505 TDMA remote stations; (d) 5,439 sets of line interface equipment; (e) 3,626 subscriber trunk dialling, coin-box telephones and telephone booths, (f) 1,813 standard metered telephones; (g) about 137 km of communications cables; (h) 141 links of ancillary radio equipment; (i) related equipment and materials, towers, omnidirectional and directional antennas, power equipment, spare parts, test equipment, and tools; (j) training of TOT engineers and technicians in TDMA technology; and (k) consultant services.

Borrower/Implementing Agency: Telephone Organization of Thailand (TOT).

Terms: $72.6 million equivalent OC loan. 24 years at 10.25 percent interest per annum. Total project cost: $114.2 million equivalent.

Purpose and Benefits: The objective of the project will be to provide basic telephone services to a number of selected rural areas spread throughout the country, which currently do not have access to such services, and thereby facilitate increased productivity and economic and social activity. Out of a total of 6,033 tambons in Thailand, only about 700 tambons (or about 12 percent) presently have access to telephone services. With the Project, 1,813 tambons in 72 changwats will be provided with local and public long-distance telephone services for the first time. This will bring the total number of tambons with access to telephone services to 2,513 (or about 42 percent of the total number of tambons in Thailand). Substantial quantifiable financial and economic benefits are expected from the proposed project. Rural communities under the Project will have access to local and long-distance public telephone services which will be of a good quality. There will be virtually no waiting time to book a call since state-of-the-art TDMA equipment will be used in most of the selected locations. The rural population will also enjoy significant social benefits which are, however, not readily quantifiable. Under the Project, TDMA central stations and remote stations will be set up at most of the selected locations. In a few locations, communications cable or ancillary radio equipment will be used. The financial rate of return (FRR) for the Project is estimated at 13.3 percent and the economic rate of return (ERR) is estimated at 16.6 percent.

Date Approved: December 11, 1984.

ENERGY: The Mae Moh (Unit 8) Power Project will consist of: (a) a generating unit with a capacity of 300 MW and which includes a lignite-fired boiler, a reheat steam turbine, a generator and auxiliaries; (b) lignite and ash handling system; (c) cooling towers, cooling water pumps, and water treatment plant; (d) electrical equipment, instrumentation and control and miscellaneous equipment; (e) structural steel, civil works and erection; and (f) consulting services.

Borrower/Implementing Agency: Electricity Generating Authority of Thailand (EGAT).

Terms: $122.6 million equivalent OC loan; 20 years at 10.25 percent interest per annum. Total project cost: $419.0 million equivalent.

Purpose and Benefits: The main objective of the project will to exploit the full potential of the Mae Moh Lignite resource (located in Lampang Province in northern Thailand) through the continuing expansion of the Mae Moh Power Development Scheme's generating facilities. The project will provide for the construction of one 300 MW generating plant (Unit 8), utilizing lignite as fuel, as an extension to the new Mae Moh Power Station now housing Units 4 to 7. Unit 8 will be the first of three 300 MW generating units comprising the final stage of development of EGAT's Mae Moh Power Development Scheme providing for an ultimate generating capacity of 1,725 MW. To help meet the forecast load demand, the project is designed to provide an additional 300 MW of thermal generation capacity to the system and is an integral component in the least cost development of EGAT's power generation facilities. The generating plant envisaged for the project will be based on proven technology and will use lignite resources which are essentially not subject to serious risk of supply interruption or serious price escalation. Ample reserves of lignite for the project have been confirmed and continuity of supply is assured through EGAT's own mining operation. EGAT has extensive experience in the construction and operation of lignite-fired generating plants and has undertaken satisfactory environmental management measures to guard against adverse effects from the operation of the Mae Moh mine and power plants. No significant project risks are therefore anticipated. The project is expected to confer significant economic benefits on Thailand especially in terms of savings in foreign exchange expenditure estimated at about $90.0 million per year which would otherwise be incurred for the importation of furnace oil to fuel an equivalent oil-fired plant. The financial rate of return (FRR) for the project is estimated at 13.8 percent and the economic rate of return (ERR) is estimated at 14.6 percent.

Date Approved: December 11, 1984.

WATER SUPPLY AND SEWERAGE: The Third Bangkok Water Supply Project will consist of: (a) expansion of MWA's supply facilities; (b) rehabilitation of MWA's existing distribution system; and (c) provision of consultant services.

Borrower/Implementing Agency: Metropolitan Waterworks Authority (MWA).

Terms: $130.9 million equivalent OC loan. 24 years at 10.25 percent interest per annum. Total project cost: $353 million equivalent.

Purpose and Benefits: The Project will provide expanded and improved water supply to 1.1 million new customers; to additional industry and commerce equivalent to 360,000 people; and to about half of the 4.3 million existing customers under the rehabilitation program. Ground subsidence in Bangkok will be reduced and ultimately should be arrested through reduction of groundwater use to safe levels after supply has been converted from dependence on deep wells to a piped source. This in turn will contribute to the Government's long term flood control measures for Bangkok. Finally, the financial restructuring measures being undertaken in connection with the Project should help develop MWA into a sound and financially independent public enterprise.

Date Approved: March 21, 1985.

URBANIZATION: The Shelter Sector Project will consist of: (a) sites and services with the core housing (SSCH) in three locations around Bangkok; (b) SSCH in eight provincial towns; and (c) consulting services for management support and urban land management study.

Borrower/Implementing Agency: National Housing Authority (NHA).

Terms: $38 million equivalent OC loan; 25 years at 10.25 percent interest per annum. Total project cost: $64 million equivalent.

Purpose and Benefits: The main objectives of the project will be to ameliorate the low-income housing shortage in areas close to employment opportunities and to improve the living conditions of low-income families at three locations around Bangkok and in eight provincial towns. The project will improve the living conditions of about 50,000 people, predominantly belonging to the low-income groups and enable them to acquire title to their residential land. Socioeconomic benefits of the project will include improved health status and reduced commuting time and costs for the beneficiaries. The project will also strengthen NHA's capability to plan and implement SSCH schemes through consultant services proposed.

Date Approved: April 23, 1985.

WESTERN SAMOA

AGRICULTURE/INDUSTRY: The Fifth Development Bank of Western Samoa Project will consist of providing foreign exchange to DBWS for development projects in agricultural, industrial and service sectors and providing technical assistance.

Borrower/Implementing Agency: Western Samoa, Development Bank of Western Samoa (DBWS).

Terms: $4 million equivalent ADF loan; 40 years with a 1 percent service charge per annum. Total project cost: $6 million equivalent.

Purpose and Benefits: The project will be a catalyst for enhancing specific development activities in various sectors. It will also assist in the creation of new employment and in the generation of foreign exchange savings/earnings. It also will upgrade DBWS in various institutional areas.

Date Approved: November 15, 1984.

AFRICAN DEVELOPMENT BANK

ANGOLA

TRANSPORTATION: The feasibility study for the Caita-Lucapa Road Project will consist of doing all the economic and engineering studies as well as all the investigations and related tasks necessary for the attainment of the objectives. The consultant will also be required to collaborate fully with the implementing agent. However, the analysis and interpretation of all data collected and the conclusions and recommendations of his report will be entirely the consultant's responsibility.

Borrower/Implementing Agency: Angola, Director General of Civil Works, Equipment and Housing.

Terms: $98 million equivalent AFDF/TAA loan; 50 years with a 0.75 percent service charge per annum.

Purpose and Benefits: The present road is a difficult earth road passable in all seasons. One section of 23 km was developed into an earth road with final geometric specifications ten years ago. In addition, 26.4 more kilometers from Caita had been paved. Nevertheless, the present state of the road requires some degree of rehabilitation. The first phase of the project is assessing the economic impact of improving the road and possible increases in the other productive activities, e.g., farming in the project's impact area. On the basis of the engineering study, a second phase will be done to complete the detailed engineering and prepare the tender documents assuming the estimated economic rate of return justifies going forward with the project.

Date Approved: February 13, 1985.

BENIN

TRANSPORTATION: The Abomey-Bohicon-Ketou-Illara and Save-Okewo Roads studies will consist of: (a) economic analysis of the project areas, transport sector, and traffic study; (b) detailed engineering studies; and (c) preparation of tender documents.

Borrower/Implementing Agency: Benin.

Terms: $93 million equivalent AFDF/TAA loan; 50 years with a .75-percent service charge per annum.

Purpose and Benefits: One of the aspects of the Benin Government's transport policy is the desire to develop road infrastructure to serve the agricultural areas of Zou and Oueme and promote trade between the country and its neighbors particularly Togo and Nigeria. It is in this regard that the Government intends to up-grade the Abomey-Bohicom-Ketou-Illara and Save-Okewo Roads.

Date Approved: November 19, 1984.

AGRICULTURE: The Oueme Province Rural Development Project will consist of: (a) extension services covering 26,300 ha of maize, 9,000 ha of groundnuts, 7,000 ha of cassava, 6,300 ha of niebe, 1,200 ha of cotton, and 200 ha of market garden crops; (b) the rehabilitation of roads and improvement of village water supplies; and (c) strengthening of supervisory facilities.

Borrower/Implementing Agency: Benin, Regional Center for the Promotion of Rural Development (CARDER).

Terms: $8.6 million equivalent AFDF loan; 50 years with a .75-percent service charge per annum. Total project cost: $21.3 million equivalent.

Purpose and Benefits: The rural development project for Oueme Province is designed to exploit the potential of the region in order to improve the living conditions of its people. This will be done by: (a) raising agricultural production, mainly food output; (b) improving and developing the roads and social infrastructure; (c) strengthening the extension service so as to make it more effective; and (d) carrying out such studies and research as are needed to ensure the success of these actions.

The project's economic impact is seen in the substantial surpluses of agricultural product that will result from it: 12,000 tons of maize, 6,000 tons of groundnuts, 3,500 tons of cowpeas, 20,000 tons of cassava, 1,500 tons of cotton, and 1,200 tons of market garden produce. The improvement of the road network, the provision of drinking water in the villages, and the additional incomes that will be generated will help create more attractive living conditions in the province. This will encourage the people to remain in their villages, thereby reducing migration from the rural to the urban areas. The estimated economic rate of return is 17.75 percent.

Date Approved: June 17, 1985.

BOTSWANA

TRANSPORTATION: The Serowe-Orapa Road Project will consist of: (a) the construction of a two-lane bitumen-surfaced road; and (b) consulting services for the supervision of this construction.

Borrower/Implementing Agency: Botswana, Roads Department of the Ministry of Works and Communications.

Terms: $24.1 million AFDB equivalent loan; 18 years at 9.86 percent interest per annum. Total project cost: $42.9 million equivalent.

Purpose and Benefits: The objectives of the project will be to connect Serowe, already connected to the main north-south axis of communication in Botswana, and center of a projected coal-mining area, with Orapa, center of an important diamond-mining area, with an all-weather bitumin-surfaced road, and also to provide improved links to existing settlements and cattle ranching areas between these two centers. The economic rate of return is estimated at 14.2 percent.

Date Approved: November 19, 1984.

EDUCATION: The Secondary Schools and Vocational Training Project will comprise the establishment of sixteen community junior secondary schools in selected parts of the country and two vocational training centers, one in Selebi-Phikwe and one in

Jwaneng. The main project components are: (a) consultancy; (b) construction; (c) furniture; and (d) equipment. Ten schools will be built to replace old community schools that are not suitable for the purpose. Two schools will have each three streams while the eight four streams each. The remaining six are all new schools; two with four streams and four with two streams. The vocational training center in Selebi-Phikwe is a day institution, whereas the one in Jwaneng provides boarding facilities for 240 students. Each school provides for 34 staff houses.

Borrower/Implementing Agency: Botswana, Ministry of Education.

Terms: $8.64 million equivalent AFDB loan; 20 years at 9.55 percent interest per annum, to $6.83 million AFDF loan; 50 years with a .75 percent service charge per annum. Total project cost: $21 million equivalent.

Purpose and Benefits: The project will present major benefits for the country. The creation of 16 community junior secondary schools will increase enrollments with the provision of more than 3,000 new student places. This will be a vital starting point for the continued expansion of secondary education in the period 1985-91. By expanding junior secondary education throughout the country, the Government will provide Botswana standard seven leavers, between 13 and 14 years old who are too young to join the labor market, the opportunity to get involved in technical training, with a solid education background on the basis of which further general, technical, vocational or professional training can be obtained for a more effective participation in the process of economic development. The country is faced with serious shortages of manpower which will increase considerably by 1991. If such shortages persist, it may impair local industrialization process. The availability of an adequate supply of artisans is crucial to maximizing the economic growth of the private sector.

Date Approved: August 26, 1985.

TRANSPORTATION: The Terms of Reference for the Nata-Maun Road Project will consist of the consultants performing all the economic studies, engineering works and field investigation as may be required to develop the project. In carrying out the consulting services, the consultants will take into account the requirements of the international financing institutions. The existing road will be utilized with only minor changes to the horizontal and vertical alignment.

Borrower/Implementing Agency: Botswana, Roads Department.

Terms: $1.46 million equivalent AFDF/TAA loan; 50 years with a .75-percent service charge per annum.

Purpose and Benefits: The purpose of the project is two-fold: first, to undertake detailed engineering design and prepare specifications, bills of quantities and contract documents for international tendering; and second, to review and up-date the economic data and other information relating to the viability of the project.

The Government of Botswana through the Roads Department of the Ministry of Works and Communications (hereinafter called "the Roads Department") intends to improve the road between Nata and Maun, a distance of about 300 km. The existing road has only a gravel surface and a recent feasibility study presented in September 1984 recommended upgrading the road to bituminous standard.

Date Approved: August 28, 1985.

BURKINA

AGRICULTURE: The Earth Irrigation Dams Project will consist of a feasibility study for 35 earth irrigation dams in six provinces of Burkina Faso. The project will consist of: (a) the rehabilitation of nine existing dams and the construction of 26 new ones, including the development of land from downstream up to the head structures; (b) the cultivation of cereals and market-garden crops; and (c) livestock rearing.

Borrower/Implementing Agency: Burkina, Ministry of Water Resources.

Terms: $1.4 million equivalent AFDA/TAA loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $1.5 million equivalent.

Purpose and Benefits: The project will help prepare for the expansion of the irrigated farming area of Burkina. It will therefore contribute directly toward the goal of food self-sufficiency.

Date Approved: August 28, 1985.

BURUNDI

AGRICULTURE: The Agricultural Line of Credit for BNDE will consist of a line of credit of $6.3 million to the BNDE (National Bank for Economic Development) and to enable BNDE to step up its agriculture sectorial operations and, particularly, to assist smallholders to achieve better farm productivity and higher food output in order to render the country self-reliant in food production and to upgrade the food intake of the population. It will contribute also to strengthen the Kiryama dairy farm through medium-term credit lending for the procurement of 150 milch cows and rolling stock and for upgrading cowsheds.

Borrower/Implementing Agency: National Bank for Economic Development (BNDE).

Terms: $6.3 million equivalent AFDF loan; 50 years with a .75-percent service charge per annum.

Purpose and Benefits: The line of credit requested by the Government will be a real opportunity for BNDE to extend the scope of its operations. Furthermore, it will generate incremental food production of 3,300 tons of groundnuts, 3,000 tons of soya, and 20,800 tons of paddy. On the livestock side, it will promote the annual production of 900 tons of milk, 82 tons of cheese, 22 tons of butter, and 66 tons of meat.

Date Approved: June 17, 1985.

TRANSPORTATION: The Rugombo-Kayanza Road Project will consist of: (a) construction of a 133.4 km bitumen-surfaced road; and (b) works inspection and supervision.

Borrower/Implementing Agency: Burundi, Ministry of Public Works, Energy and Mines.

Terms: $15.6 million equivalent AFDF loan; 50 years with a 75-percent service charge per annum. Total project cost: $40.7 million equivalent.

Purpose and Benefits: The project will aim to improve the existing road network in the north-west of Burundi and to open the districts of Mugina, Babayi, Bukinanyana, Kabarore and

Muruta. The economy of the country's north-west will benefit from the project because it will facilitate the development of the region's resources and speed up the implementation of rural development and mining projects identified in this region. The internal rate of return is estimated at 10.45 percent.

Date Approved: June 17, 1985.

EDUCATION: The Strengthening of Primary and Secondary Education will consist of strengthening the general education in order to increase enrollments in primary and secondary education and facilitate the implementation of the education reform. It will make it possible to: (a) develop the training of category D6 primary teachers and increase their numbers, thereby satisfying both the qualitative and quantitative requirements of the country; (b) develop the "Cycle d'orientation" (C.O.) i.e., first cycle secondary education – the basic level necessary for the training of middle-level manpower; (c) develop primary education and, at the same time, offer training opportunities to young drop-outs so that they can become self-employed in the rural area.

Borrower/Implementing Agency: Burundi, Office of Education Projects in Bujumbura.

Terms: $9.7 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $10.9 million equivalent.

Purpose and Benefits: The development of basic education will each year benefit 13,000 children of school-going age, young dropouts and adults. The project will make it possible to train 1,350 students at this level of education. The project will develop the education recommended by the reform, that is to say a practical type of education tailored to the needs of the community, and will help improve education possibilities in the communes where they are especially scarce. The Cycles d'orientation (C.O.) will take in 1600 students each year. The project will make it possible to increase the intake capacity of secondary education and to establish schools in five districts of the country. It will also contribute to development in these hitherto neglected areas and gradually eliminate the expensive boarding schools. If the project is implemented, there will be an increase of 1,200 places in secondary schools and it will then be possible to open up the bottleneck between primary and secondary education as the number of admissions to first year of secondary will increase.

Date Approved: August 28, 1985.

CAMEROON

TRANSPORTATION: The Yaounde – Kribi Road Study Project will consist of economic feasibility studies and updating the detailed engineering studies for a road between Yaounde and Kribi.

Borrower/Implementing Agency: Cameroon, Ministry of Equipment.

Terms: $1.7 million equivalent AFDF loan. 50 years with a 0.75 percent service charge per annum. Total project cost: $1.9 million equivalent.

Purpose and Benefits: The project will aim at establishing a road with good characteristics between Yaounde and Kribi with a view to attaining the following socio-economic objectives: (a) ensure the procurement of supplies for the local population under the best conditions; (b) the evacuation of cocoa and coffee, the two cash crops extensively cultivated in the areas through which the road passes; (c) facilitate the transport of timber to the port of Kribi, a forest product which is just as important in the area; and (d) establish the best conditions for international traffic through the port of Kribi, which is likely to be the country's second port and also serve Equatorial Guinea.

Date Approved: March 12, 1985.

ENERGY: The La Mape Dam Project will consist of the construction of a dam at La Mape with a view to regulating the flow of the Sanaga River. There will also be electromechanical equipment, resettlement, and engineering studies and supervision.

Borrower/Implementing Agency: Cameroon, Societe Nationale d'Electricite (SONEL).

Terms: $11.3 million equivalent AFDB loan; 18 years at 9.86 percent interest per annum. Total project cost: $91.0 million equivalent.

Purpose and Benefits: The main objective of this project is to construct a reservoir of 3,200 million cubic meters capacity at La Mape with a view to regulating the flow of the Sanaga river at 850 cubic meters per second and increase the availability of power and energy at Edea and Song-loulou power stations. When completed, this reservoir will facilitate production of 225 MW of power and 1,122 Gwh of energy annually. The project is beneficial to one of the biggest industries in the country, the Alucam Aluminum factory which produces aluminum for export as well as for domestic markets. This factory has a production capacity of more than 80 million tons/year, although it presently operates at less than 50 million tons/year due to a shortage of electricity. The estimated economic rate of return is about 28 percent.

Date Approved: August 28, 1985.

CAPE VERDE

TRANSPORTATION: The Maio Port Project will consist of three main components: (a) construction of a 160 m pier and breakwater together with ancillary buildings and 300m of access road; (b) supply of cargo handling equipment and spare parts; and (c) consultancy services.

Borrower/Implementing Agency: Cape Verde, Ministry of Housing and Public Works.

Terms: (a) $6.4 million equivalent AFDB NTF loan. 25 years at 4 percent interest per annum; (b) $2.93 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $10.3 million equivalent.

Purpose and Benefits: The internal rate of return of the project has been worked out on the basis of economic costs and the quantified benefits; the result is 6.0 percent. As this rate is equal to the opportunity cost of the capital, the project is considered acceptable. Without the construction of the port of Maio, it would be economically and financially risky to implement the other complementary cement and salt projects. The construction of the port is a necessary condition for the salt project and to obtain the value added for the local raw materials required for the cement plant. With the new port, the industrial sector would be provided with new facilities enabling it to constitute to the country's social and economic development; the creation of jobs during and after construction, foreign exchange savings (import substitution), and a new source of foreign exchange (export of salt). The port will also facilitate the supply of products to the inhabitants of the island. In fact, the transhipment of goods by barge in the present port is sometimes impossible and dangerous in bad weather or during high tide. In the new port, these problems will be eliminated.

Date Approved: November 19, 1984.

INDUSTRY: The Maio Cement Project will consist of: (a) rolling stock, quarries working and handling equipment; (b) production line of an effective capacity of 75,000 tpy of cement; (c) auxiliary equipment and general services; (d) metal structures for stationary equipment, storage silos and metal frames; (e) transportation and the assembly of main equipment and accessories; (f) engineering; (g) housing; (h) inspection and supervision; (i) working capital; and (j) interest during construction.

Borrower/Implementing Agency: Cape Verde, Cimenterie du Cap Vert (CIVER).

Terms: $21.4 million equivalent AFDF loan; 50 years at 0.75 percent interest per annum. Total project cost: $29.2 million equivalent.

Purpose and Benefits: The project's economic life is estimated to be 20 years with no salvage value. The basic assumption is a maximum output of 64,000 tpy which, in turn, yields an internal rate of return of 6.3 percent. To obtain the economic cost and benefits, the financial projections have been adjusted to their economic value. The economic calculations exclude taxes on fuel and uses a shadow price for unskilled labor, a value equivalent to 70 percent of that obtained from the financial analysis. The selling price per ton is the opportunity cost of imported cement, i.e., the CIF price including port charges and excluding duties and other taxes. On this basis, the project's economic rate of return is estimated at 5.6 percent. It is less than the financial rate of return mainly because part of the port investment is taken into account in the investments on the cement factory. The low level, 6 percent, is acceptable because it is consistent with the opportunity cost of capital in Cape Verde, estimated to be 5 to 6 percent due to the country's low absorptive capacity.

Date Approved: November 19, 1984.

CENTRAL AFRICAN REPUBLIC

EDUCATION: The Strengthening of Primary Technical and Vocational Education Project will consist of: (i) construction of new classrooms, workshops, sheds, and staff accomodations for primary schools; (ii) furniture and training aids for primary schools; (iii) study of the technical education and vacational training sub-sector; (iv) renovation and equipment of existing Vocational and Practical Training Centres (CFPPs); (v) assistance to the Directorate of CFPPs; and (vi) assistance to the project implementation unit.

Borrower/Implementing Agency: Central African Republic Ministry of Education.

Terms: (a) $6.7 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum; (b) $0.88 million equivalent ADF/TAA loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $8.5 million equivalent.

Purpose and Benefits: The project which is now under study will have a dual educational benefit. It is going to rehabilitate and extend 49 primary schools and 10 CFPPs which are presently in a deplorable state. This will also provide school materials (for primary schools) and various machines and working tools (for CFPPs) which these establishments are lacking badly. In so doing, the project will contribute to improving primary and post primary technical education in the rural areas. Such an improvemnt of schools will contribute in making primary education the basis on which the success of the indispensable reform government is proposing to undertake will rely. The second educational benefit of the proposed project is related to technical educational and vocational training which are neglected facets of the Central African educational system. The study in this project will enable the state to have a better insight into its technical and vocational education system. The government will be able to identify the requirements and the flaws so as to design the required solutions for the vocational reorganization and internal efficiency of its education system.

Date Approved: September 26, 1985.

COMOROS

ENERGY: The Tatinga Hydroelctric Dam Project will consist of: (a) civil works; (b) electro-mechanical equipment; (c) lines and sub-stations; (d) service lines; (e) vehicles; (f) technical assistance and training; and (g) engineering study, works inspection and supervision.

Borrower/Implementing Agency: Comoros, Eau et Electricite des Comores.

Terms: $5.4 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $14.7 million equivalent.

Purpose and Benefits: The aim of the project will be to develop and harness the hydroelectric potential of the river Tatinga at Anjouan and to extend the existing production and distribution facilities with a view to satisfying the electricity requirements of Anjouan beyond the year 1988. This project will also make it possible to limit importation of oil which is the main source of commercial energy. The economic rate of return is estimated at 14.7 percent.

Date Approved: November 19, 1984.

CONGO

TRANSPORTATION: The Second Supplementary Loan for the Congo-Ocean Railway Project will consist of funds to help meet a cost overrun and thereby complete the realignment of the Congo-Ocean Railway's (CFCO) track through the mountains.

Borrower/Implementing Agency: Congo, Agence Transcongolaise de Communication.

Terms: $2.3 million equivalent AFDB loan; 10 years at 9.9 percent interest per annum. Total project cost: $244.5 million equivalent.

Purpose and Benefits: The CFCO rail system is vital to the Congolese economy. The implementation of the project should remove the constraints inhibiting the expansion of the railway's capacity and enable it to cope with both local and transit traffic demand. It is against this background that a complementary program aimed at the improvement of operating facilities has already been established. These different measures will help to increase the rate of availability of locomotives (from 60 to 80 percent) and wagons (from 70 to 90 percent) and to augment the volume of load drawn which is at present at variance with the expansion of national timber production and with the policy of transit traffic recovery. Up to 83 percent of the CFCO realignment project appraised in 1976 has been implemented. The estimated economic rate of return on the entire project is 11 percent.

Date Approved: December 17, 1984.

DJIBOUTI

ENERGY: The Geothermal Exploration Project will consist of the following components: (a) geothermal drilling in the Hanle/Gaggade area including: (i) two temperature gradient wells (about 450 m deep) and (ii) up to four deep exploratory wells (about 2,000 m deep); (b) complementary surface exploration works in the Hanle/Gaggade area, including gravity and electrical resistivity surveys and related studies; (c) technical assistance to ISERST, including (i) consulting services for further project preparation; (ii) services of an expatriate project manager for three years; (iii) engineering services for the supervision of the deep drilling operations and the carrying out of related specialized services (logging, testing, etc.); (iv) training; (v) equipment and vehicles; (vi) external audits; and power studies to be undertaken by Electricite de Djibouti (EDD).

Borrower/Implementing Agency: Djibouti, Higher Institute of Studies and Scientific Research.

Terms: $2.5 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $16.6 million equivalent.

Purpose and Benefits: The project's main objective will be to explore the country's only known source of mineral energy. It will seek to prove commercially exploitable geothermal reserves. In addition, it will strengthen ISERST, the country's geothermal research institute, through appropriate technical assistance, and enable it to take a more active role in geothermal exploration and development operations. EDD, the country's electric power company, will be provided with assistance preparatory to incorporating geothermal power production facilities into its system. The immediate expected benefit from the project is the proving of commercial geothermal reserves in the Hanle/Gaggade area. When developed, these reserves will contribute to reducing the country's current exclusive reliance on imported fuels to satisfy its energy needs. Another benefit from the project will be to prepare local entities (ISERST and EFF) to take an active role in future geothermal exploration, development and production.

Date Approved: November 19, 1984.

EGYPT

INDUSTRY: The Fourth Line of Credit to Development Industrial Bank will consist of providing foreign exchange for small- and medium-scale industrial sector projects.

Borrower/Implementing Agency: Egypt, Development Industrial Bank (DIB).

Terms: $63.6 million equivalent AFDB loan; 15 years at 10 percent interest per annum.

Purpose and Benefits: The Government is convinced that increased public assistance to the private industrial sector is in the best interests of the Egyptian economy and people. DIB is the main development financing institution providing mainly long- and medium-term investment finance to small- and medium-scale industrial enterprises, most of which are privately owned. The AFDB loan will partly bridge the projected foreign exchange gap and assist DIB in its activities to promote and finance small- and medium-scale industrial development in Egypt.

Date Approved: December 17, 1984.

ENERGY: The Shoubrah El Kheima Unit 4 Power Project comprise the expansion of the Shoubrah El Kheima Power Station by adding a fourth 315 MW generating set, effecting the necessary rearrangements within the boundaries previously established for the first three sets and constructing the extra electrical circuits necessary to carry the additional output to the main transformer sub-station.

Borrower/Implementing Agency: Egypt, the Egyptian Electricity Authority (EEA).

Terms: $46.1 million equivalent AFDB loan; 18 years at 9.55 percent interest per annum. Total project cost: $177.4 million equivalent.

Purpose and Benefits: The trend of demand on the Egyptian Unified Power System indicates that maximum demand rose from 1733 MW in 1975 to 4955 MW in 1984 at an average annual growth rate of 12.38 percent and energy generated grew from 9800 GWh to 29044 GWh (13 percent average annual growth rate). Within this period, the average annual growth rate of maximum demand dropped from 13 percent in 1975-79 to 11 percent in 1980-84. The energy generated followed the same trend and its average annual growth rate declined from 14 percent to 12 percent. Sales grew at an average annual rate of 15 percent between 1975-1979. In 1982/83, the 21546 GWh sold were distributed between four ultra high and sixteen high voltage consumers and the seven distribution companies (for medium and low voltages) according to the following proportions: 19.3; 6.5; 74.2 percent respectively (or 4152; 1403 and 15991 GWh); 7339 GWh or 34 percent were the Cairo Distribution Company's Share. The financial internal rate of return is 14 percent.

Date Approved: August 28, 1985.

EQUATORIAL GUINEA

AGRICULTURE: The Cocoa Sector Technical Assistance Project will consist of different staff categories and specializations with a view to filling-in extension manpower gaps at higher, middle and lower levels both at the head-office and also in the field.

Borrower/Implementing Agency: Equatorial Guinea, Ministry of Agriculture.

Terms: $2.9 million equivalent AFDF loan. 50 years with a 0.75 percent service charge per annum. Total project cost: $3.5 million equivalent.

Purpose and Benefits: The objective of the technical assistance is to help strengthen the Ministry of Agriculture's existing but inadequate extension services in Equatorial Guinea's cocoa sector with a view to increasing cocoa production through the participation of more smallholder farmers in cocoa regeneration on abandoned farms.

Date Approved: December 17, 1984.

ENERGY: The Preliminary Engineering Studies for the Electrification of Ten Towns will consist of the collection of technical data and engineering studies for the electrification of ten towns, district and provincial capitals, on the mainland in Equatorial

Guinea. The studies will be financial, technical and economic analyses.

Borrower/Implementing Agency: Equatorial Guinea, Ministry of Power.

Terms: $0.57 million equivalent AFDF/TAA loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $0.60 million equivalent.

Purpose and Benefits: The objective of the studies is to collect technical and economic data for the electrification of ten towns, district and provincial capitals, on mainland Equatorial Guinea. These towns have been selected on the basis of existing or would-be social, economic, and industrial facilities. The studies will enable the Government of Equatorial Guinea to get a clearer idea about the electricity needs of the ten towns concerned and the best way to meet these needs.

Date Approved: January 22, 1985.

TRANSPORTATION: The Studies for the Improvement of the Bata Airport and Filling Out of the Malabo Airport will consist of: (a) review of the technical bases of the previous studies for an international airport at Bata; (b) preparation of detailed engineering studies for a scaled-down airport improvement project and the minimum equipment required at the Malabo airport for the upgrading of air navigation safety standards; (c) analysis of the economic and financial justification of the revised project; and (d) preparation of tender documents for international competitive bidding.

Borrower/Implementing Agency: Equatorial Guinea, Ministry of Public Works, Housing, and Town Planning.

Terms: $0.14 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $0.15 million equivalent.

Purpose and Benefits: The additional studies shall aim at reviewing the technical bases of the previous studies, with a view to designing a project of a reduced size but taking account of the actual needs of the air transport system in Equatorial Guinea.

Date Approved: January 22, 1985.

HEALTH: The Health Sector Study project will consist of an in-depth pre-investment study of the health sector as a whole, plus the following four priority areas: the establishment of a National Health School in Bata, the construction and equipment of a Public Health Laboratory closely associated with the School, the construction/renovation of four district hospitals, and the analysis of the supply and logistics system of the health services.

Borrower/Implementing Agency: Equatorial Guinea, Ministry of Health.

Terms: $1.1 million equivalent AFDF/TAA loan; 50 years with no service charge per annum. Total project cost: $1.16 million equivalent.

Purpose and Benefits: The advantage of the study is that it will enable the Government and the AFDF to determine the series of projects or programmes most appropriate to implement, and to know exactly the various components and relevant data about each potential project. The health care system's human resources and the supply and logistics system are in desperate condition. Any intervention to improve the situation regarding these two critical areas is more than justified, since they are the pillars for the success of the health care delivery system of any country.

Date Approved: January 22, 1985.

WATER SUPPLY AND SEWERAGE: The Rehabilitation Project and Master Plan Study for Malabo and Bata Potable Water Supply and Sewerage Systems (PWSS) will consist of: (a) preparation of a master plan covering a period of 30 years, (b) staff training programme, (c) design and planning criteria for the 1st phase of the master plan, (d) preliminary engineering study for the 1st phase, (e) feasibility study for the 1st phase, (f) institutional and tariff studies; and (g) detailed engineering study and tender documents for the 1st phase of the master plan.

Borrower/Implementing Agency: Equatorial Guinea, Ministry of Public Works, Housing and Town Planning.

Terms: (a) $2.2 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum; and (b) $0.6 million equivalent AFDF/TAA loan; 50 years with a 0.75 percent service charge per annum.

Purpose and Benefits: On the basis of the present terms of reference, the Government intends to recruit an engineering consultant or group of engineering consultants to conduct studies consisting of two phases: studies for the master plan extending up to the year 2017; and specific studies for the implementation of the first phase of this master plan covering 1987-1997. The master plan for the implementation of the Malabo and Bata PWSS systems to meet requirements up to the year 2017 will be prepared for implementation in several phases: 1987-1997; 1997-2007 and 2007-2017. Studies involving the design, planning, feasibility and engineering required for the implementation of the first phase of the Malabo potable water supply and sewerage master plan, as well as a complementary institutional and tariff study including staff training in the short, medium and long terms.

Date Approved: August 29, 1985.

EDUCATION: The Primary Education Rehabilitation Project will consist of: (a) construction of new buildings for 5 full cycle primary schools; (b) extension and renovation of 7 existing full cycle primary schools; (c) construction of 15 new houses for teachers; (d) furniture, equipment and materials; and (e) strengthening the Ministry of Education and Sports.

Borrower/Implementing Agency: Equatorial Guinea, Ministry of Education and Sports.

Terms: $6.2 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $6.8 million equivalent.

Purpose and Benefits: The project will help the government of Equatorial Guinea to improve the quality of education by rehabilitating school infrastructure in areas with very high student populations. The project will also enable the government to continue the implementation of the education system reform.

Date Approved: September 26, 1985.

ETHIOPIA

WATER SUPPLY AND SEWERAGE: The Study for the Master Plan for the Development of Water Resources in the Awash Basin will consist of the consultant completing the studies of all relevant water resource projects. To do this he will: (a) review the findings of all completed studies; (b) complete or update other studies as may be required; (c) carry out the studies for projects which have been identified but for which no study exists; and (c) identify and, after discussion with WRDA, carry out such other studies as may be necessary for the complete management of the water resources of the Awash Basin. All the above studies will be to such a level as to clearly show: (a) the technical feasibility of the project; (b) the layout, typical details and construction methods of each project; and (c) the cost of each project with schedules of expenditure for capital works and annual operations.

Borrower/Implementing Agency: Ethiopia, Water Resources Development Authority (WRDA).

Terms: $1.3 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum.

Purpose and Benefits: The area of land in the Awash Basin identified as suitable for irrigation is 152,000 ha of which 66,000 ha has already been developed. Further development of irrigation is impeded by the following factors: (a) there is insufficient volume of reservoir storage; (b) the existing reservoirs are operated according to the requirements for hydro-power; (c) the very high sediment load of a number of tributaries to the Awash is rapidly reducing the storage available in the existing reservoirs and will reduce the life of any future reservoirs; and (d) water is lost to the system at a number of points by flooding of extensive flood plains or swamps from which the water evaporates. The prevention of this flooding would free the flood plain for agriculture. The objective of this study is, by carrying out engineering, hydro-power and economic studies, to provide sufficient data and conclusions on all relevant factors to enable WRDA to adopt a strategy for the full development of the water resources and irrigation potential of the Awash Basin.

Date Approved: April 11, 1985.

AGRICULTURE: The Small-Scale Irrigation Project will provide small-scale irrigation facilities to farmer families over an area of approximately 3,790 ha. The main components of the project will be: (a) irrigation development: on farm development; main civil works; and access road construction; (b) agricultural development: revolving credit funds; and (c) project management unit.

Borrower/Implementing Agency: Ethiopia, Ministry of Agriculture.

Terms: $16.6 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $19.6 million equivalent.

Purpose and Benefits: The main objective of the project will be to increase the production of the basic food crops, particularly the principal cereals–teff, barley, wheat, maize, and sorghum in order to contribute to the Government's efforts of achieving food self-sufficiency by increasing the area under irrigation. It is envisaged that the development of irrigated agriculture in these areas will contribute to the security of food crop production; provide in areas where water resources are adequate, some marketable surplus and by reducing grain deficit, substitute for cereal imports. The project will provide small-scale irrigation facilities to farmer families, organized communally in Producer Co-operatives or as individuals in Peasant Associations; improve agricultural inputs, e.g., fertilizers, seed of improved crop varieties, and pest control measures on both the small-scale irrigated project and rainfed crops in the project area. Each farmer has about 2 ha of which 0.8 will be irrigated under the project while the remaining 1.2 ha will continue being farmed under rainfed conditions. The total area to be irrigated is 3,790 ha belonging to 4,737 farmers. The project will give direct benefits to about 23,685 members of the irrigation farmer families. Incremental production of basic food crops in Year 10 are expected to be 14,954 tons cereals, 2,889 tons pulses, 2,680 tons potatoes, 1,425 tons vegetables, and 1,236 tons onions, besides other crops.

Date Approved: April 11, 1985.

GABON

INDUSTRY: The Rubber Scheme Phase I Project (MITZIC II BITAM AND KANGO I) will consist of: (i) an expansion of the plantation of 1,500 ha and the setting up of a rubber treatment plant comprising two production lines for processing liquid latex and one line for processing second rate dry latex (MITZIC); (ii) the cultivation of a 2,000-ha rubber plantation (BITAM); and (iii) the establishment of a rubber complex involving a 2,000-ha plantation (KANGO).

Borrower/Implementing Agency: Gabon, Gabon Rubber Development Corporation (HEVEGAB) and Gabon Agricultural Development Corporation (AGRO GABON).

Terms: $42.6 million equivalent AFDF loan; 20 years at 9.55 percent interest per annum. Total project cost. $124.4 million equivalent.

Purpose and Benefits: The project will present many benefits: technical, socio-economic and cultural. From the technical viewpoint, rubber cultivation is a novelty in the country's agricultural circles and is an enormous asset in Gabon's development drive. On the socio-economic level, the scheme will be the pivot of other social and economic activities generated by the permanent rubber factory. Culturally, the regions will be abreast of the new technology applied in the various complexes.

Date Approved: August 28, 1985.

GHANA

INDUSTRY: The Line of Credit to the National Investment Bank for Industrial Rehabilitation Project will consist of foreign exchange financing for rehabilitation of industrial sub-projects and new small- and medium-scale industrial sub-projects.

Borrower/Implementing Agency: Ghana, National Investment Bank.

Terms: $26.5 million equivalent AFDB loan; 14 years at 10.0 percent interest per annum.

Purpose and Benefits: The objective of the line of credit will be to support the Government Economic Recovery Program by rehabilitating and increasing the capacity utilization of existing industries. Emphasis will also be placed on the establishment of agro-based industries particularly for food processing and preservation and the processing of both industrial and agricultural raw materials.

Date Approved: November 19, 1984.

AGRICULTURE: The Subri Industrial Plantation Project will consist of: (a) the conversion of a total of 4,000 ha of natural forest (through clearing, logging, sawmilling, charcoaling and fuelwood, carpentry, road up-grading/construction, provision of equipment and vehicles); (b) the reforestation of the areas converted with Gmelina arborea; (c) the construction of staff housing and social infrastruture; (d) the hiring of skilled personnel for project management and technical assistance.

GHANA – Continued

Borrower/Implementing Agency: Ghana, Ministry of Lands and Natural Resources.

Terms: $15.6 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $39.5 million equivalent.

Purpose and Benefits: The main objective of the project will be to establish an industrial plantation capable of a sustained supply of pulpwood for the pulp and paper mill, thus significantly contributing to the substitution of imported paper and other related products. Another objective of the project will be to effectively utilize all wood felled by converting it *in situ* into useful by-products such as timber, fuelwood, and charcoal. In the process of establishing the plantation, agrosilvicultural techniques will be used in order to produce plantain and cassava to supplement food provisions for local labor and for sale to the local market. This technique is known as the Subri Conversion Technique (S.C.T.). The project will help alleviate serious domestic shortages of fuelwood, charcoal, and timber, as well as increasing food production. It will create jobs for 1,408 full time workers and will generally enhance the purchasing power of the local community. The estimated economic rate of return is above 50 percent.

Date Approved: November 19, 1984.

AGRICULTURE: The Second Line of Credit to Agricultural Development Bank will consist of: (a) line of credit to small-scale farmers and fishermen to finance equipment and recurrent inputs; and (b) vehicles and an accounting system and training adviser for the Agricultural Development Bank.

Borrower/Implementing Agency: Ghana, Agricultural Development Bank.

Terms: $14.6 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum.

Purpose and Benefits: The objectives of the Second Line of Credit will be to improve the food self-reliance position of Ghana, to increase agricultural production for the development of resource-based rural industries, to improve the balance of trade through import substitution, and to ensure that the benefits of economic development are enjoyed by the poorer members of society.

Date Approved: December 17, 1984.

INDUSTRY: The Feasibility Study and Detailed Engineering Design for a Pulp and Paper Mill Project in Western Region will recost, re-evaluate, review and supplement as necessary all data and reports to the project. The purpose of the study is to investigate if the proposed project is technically feasible, financially viable and economically feasible taking into consideration the following factors: (a) the reduction of dependence upon external sources of paper supply, and the attendant foreign exchange demand; (b) the satisfaction of demand for as wide a range as possible of the various paper product; (c) the possible full capacity utilization of paper and printing manufacturing establishments; (d) the possible generation of foreign exchange by exporting unfinished or finished paper products; (e) the utilization of indigenous tree species and gmelina plantations in the pulping process; and (f) replacement of imported long fibre pulp by locally grown species.

Borrower/Implementing Agency: Ghana, Ministry of Industries, Science and Technology.

Terms: $1.13 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $1.2 million equivalent.

Purpose and Benefits: The feasibility study will provide needed background for a project to construct a pulp and paper mill in Ghana. Currently, Ghana relies completely upon imported paper supplies for printing, writing, newsprint, sanitary, wrapping and packaging papers. This pulp and paper mill will reduce dependence on the external foreign exchange, satisfy demand for as wide a range as possible of the products currently imported, and provide a beneficial use for those indigenous timber species, which are not of major commerical importance for sawn wood or log export, as raw material for pulp production or fuel.

Date Approved: August 28, 1985.

HEALTH: The Pre-Investment Design and Engineering Studies in the Health Sector will consist of an expert assessment of the overall state of each institution and determine in the first instance whether or not it would be economical to rehabilitate a particular building or equipment. If not, a practical and economic proposal should be submitted. The consultant's main assignment will be to conduct, through a multidisciplinary approach, the following activities: (a) conduct all the necessary architectural and engineering studies required for determining the feasibility of the physical rehabilitation of buildings and equipment; (b) establish a detailed list of equipment and furniture; (c) prepare all related tender documents as specified in the TOR; (d) propose a sound maintenance system; (e) submit confidential cost estimates; (f) assist government in the evaluation of tenders.

Borrower/Implementing Agency: Ghana, Ministry of Health.

Terms: $1.83 million equivalent AFDF loan; 50 years at a 0.75 percent service charge per annum.

Purpose and Benefits: Presently there are 10 regional hospitals that service the ten administrative regions. Of the 10 regional hospitals two serve as teaching hospitals i.e., one in Accra and one in Kumasi. District and quasi-government hospitals total 56 and there were 46 missions, mines and community hospitals. Throughout the country there were 3 psychiatric hospitals and 6 leprosaria. In 1981 the number of health centers and posts was 230. There has, however, been some decline in the functionality of existing health facilties which has resulted in the decline of the total number of health centers and posts to 205 by 1984. Because of lack of any preventive maintenance and repair service most of the district hospitals are in an advance state of structural and equipment decrepitude, and the state of the two teaching hospitals cannot be said to be better.

Date Approved: September 27, 1985.

GUINEA

AGRICULTURE: The Artisanal Fisheries and Pisciculture Development Project will consist of: (a) buildings and civil engineering; (b) boatyard and wood-drying equipment; (c) refrigerating facilities; (d) boat-building; (e) fish-breeding facilities; (f) fishing gear, outboard motors, etc.; (g) vehicles and tank barge; (h) technical assistance and training; and (i) local staff and recurrent expenditures.

Borrower/Implementing Agency: Guinea, Ministry of Animal Husbandry and Fisheries.

Terms: (a) 10.8 million equivalent AFDB loan; 10 years at 9.86 percent interest per annum; and (b) $15.1 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $37.3 million equivalent.

Purpose and Benefits: The project will create some 600 seasonal and permanent jobs. The training programs for the project staff and for the fishermen will ensure steady development of the fishery sub-sector. The project's economic rate of return has been calculated over a period of 25 years and only costs and incremental revenues have been considered. On this basis, the economic internal rate of return is estimated at more than 44 percent. The operators of the seiners can expect a net profit of 6 million sylis a year. The leases of the improved canoes will earn a net profit of about 4.5 million sylis a year. Financial analysis of the project management agency shows that the agency will earn a net profit of 15 million sylis a year in the second year. The profit will drop to 9 million sylis at the end of the sixth year when the amortizations are due. Projections concerning the depots in the cold stores at the bases and the depots at the markets show that the profits will exceed 900,000 sylis a year for the former and 500,000 sylis a year for the latter. The users of the bases and of the boatyard will be made to pay fees when their boats are docked for repairs. They will also pay dues for berthing at the quays. The ice will be sold to the fishermen. Spaces in the markets will be rented out. All these fees that will be charged will enable the management to recover the costs.

Date Approved: December 17, 1984.

HEALTH: The Terms of Reference of the Institutional Reinforcement and Preparation of Health Projects Project will consist of: (a) technical assistance for institutional reinforcement of the Ministry of Public Health; (b) Phase I: studies on financing and organizing the sector; study on the pharmaceutical and training sub-sectors; preparation of the program of communicable diseases control; and (c) Phase II: engineering studies and implementation documents of the future project.

Borrower/Implementing Agency: Guinea, Ministry of Public Health.

Terms: $1.06 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $2.1 million equivalent.

Purpose and Benefits: The specific objectives of this institutional reinforcement will be to improve the working of the Studies, Planning and Statistics Directorate (DEPS) so that it may conveniently perform its duties at the national level, which involves the gathering and using of health statistics, the survey and updating of all the available human, physical and financial resources in the Ministry of Public Health; the programming of current activities, the development of specific programmes and the monitoring and appraisal of such activities. The DEPS should be able to furnish an analysis of the health situation and the health system so as to enable government to shape its health policy. The Directorate should prepare and update a plan of action which backs up this policy. From this plan of action, priority projects for the sector will then be identified. The Directorate should coordinate action between all central and provincial services of the Ministry of Public Health with regards to project preparation. The second objective of this Institutional reinforcement will be to prepare a management model of all provincial health services. This assignment will be coordinated by the DEPS whose duty will be to define in what way the Provincial Health Inspectorates (PHI's) will perform their coordination work with regard to all activities of the health services at provincial level.

Date Approved: August 28, 1985.

IVORY COAST

TRANSPORTATION: The Road Program will consist of three components, namely: (a) construction of ten new double-laned tarred roads; (b) construction of two permanent and double-lane untarred roads; and (c) rehabilitation of two existing tarred roads.

Borrower/Implementing Agency: Ivory Coast, Ministry of Public Works, Construction, Posts and Telecommunications.

Terms: $59.5 million equivalent AFDB loan. 20 years at 9.55 percent interest per annum. Total project cost: $125.6 million equivalent.

Purpose and Benefits: The road programme, which will constitute a part of the second road sector project, will help to improve transport infrastructure in general and road transport in particular through the construction of permanant links. It will help to improve traffic movement in the major roads which are some of the busiest sections of the road network. The economic rate of return is estimated at 18.0 percent.

Date Approved: August 28, 1985.

KENYA

EDUCATION: The Study for the Proposed Second University will consist of: (a) assessment of university-trained manpower requirements; (b) academic structure and organization of a technically oriented university; (c) planning of physical facilities for 5,000 students as well as administrative and teaching staff at Eldoret; and (d) estimating the cost of establishing and operating the university.

Borrower/Implementing Agency: Kenya, Second University Directorate.

Terms: $1.5 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $1.6 million equivalent.

Purpose and Benefits: During the last decade, the University of Nairobi has witnessed a major expansion both in enrollments and its physical facilities. Its growth, however, has not kept pace with the large numbers of secondary school-leavers seeking to enter the University each year. In fact, there were more than 7,000 Kenyan students studying abroad in 1983, many of them through private sponsorship. The Second University, to be sited at Eldoret, which the government has decided to establish, will aim at meeting those manpower needs not covered by the existing institutions, by admitting more secondary school-leavers who are qualified and by introducing training in areas that have hitherto either not beeen catered to or been inadequately covered.

Date Approved: January 22, 1985.

AGRICULTURE: The Sheep and Goat Development Project will consist of: (a) implementation of construction program of 52 sales/auction yards, rehabilitation of 14 existing holding grounds, and construction of four new assembly points following a survey of existing facilities during the first year of the project; (b) credit for production; (c) support of Range Management, Extension and Veterinary services; (d) technical assistance and training; and (e) support for the project implementation unit.

Borrower/Implementing Agency: Kenya, Ministry of Agriculture and Livestock Development.

Terms: $13.8 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $16.1 million equivalent.

Purpose and Benefits: The main objective of the project is to increase offtake and volume of meat, milk, wool and mohair available for both domestic consumption and for export mainly through better marketing infrastructure and support to ongoing production activities. The benefits are: (a) a 71 percent increase in income with the project compared to without the project for 4,000 small-farmers; (b) a 137 percent increase in the income for medium-sized farmers with the project compared to without the project; (c) a 25 percent increase in income to about 20,000 other beneficiaries who will benefit from improved market facilities and from the demonstration effect of the credit recipients; (d) an increased supply of quality meat for consumers; (e) substantial foreign exchange earnings from increased sales of sheep and goats to the Middle East; and (f) creation of employment and market for local supplies and materials from the construction of market facilities. The internal economic rate of return for the project is 16 percent.

Date Approved: April 11, 1985.

LESOTHO

TRANSPORTATION: The project will consist of: (a) the rehabilitation of 19.5 km of urban paved roads in Maseru; (b) the rehabilitation of 87.7 km of two lane rural highway; (c) regravelling of 444 km of gravel and earth roads; (d) procurement of traffic counters, portable and permanent weighbridges; and (g) procurement of staff training facilities and fellowships.

Borrower/Implementing Agency: Lesotho, Ministry of Works.

Terms: $6.8 million equivalent AFDF loan; 50 years with a 0.75 service charge per annum. Total project cost: $19.5 million equivalent.

Purpose and Benefits: The roads to be rehabilitated or improved under the project will lower transport costs and give rural people access to markets for their agricultural produce and to health, educational and administrative centers. The Government will be able to reach a wider area in their provision of extension services. Following these, it is expected that economic production in the rural areas will be stimulated. The economic internal rates of return are estimated at 14.3 to 16.3 percent.

Date Approved: November 19, 1984.

TRANSPORTATION: The New Maseru International Airport II Project will consist of: (a) civil works comprising: (i) one main runway; (ii) a cross wind runway; (iii) an international apron capable of taking one wide bodied jet and two medium-range jets, a domestic apron and a general aviation parking area connected to the runway by a taxiway; and (iv) airport access road, perimeter road, crash fire and rescue roads; (b) buildings consisting of a terminal building, control tower, administrative block, fire and rescue building, cargo building, maintenance hanger, and airport maintenance yard and ancillary works, housing; (c) airfield lighting, electrical power supply and distribution systems; (d) navigational aids and communications equipment; (e) fire and rescue vehicles; (f) meteorological equipment; (g) supervision and management of the works; and (h) buses and vehicles for Lesotho Airways and the DCA, apron equipment, tools and furnishings.

Borrower/Implementing Agency: Lesotho, Ministry of Works.

Terms: $12.8 million equivalent AFDB loan; 15 years at 9.8 percent interest per annum. Total project cost: $49.5 million equivalent.

Purpose and Benefits: The economic evaluation of the project is based primarily on costs and benefits associated with the airport development which have an impact on the economy of Lesotho. Any additional costs which will be borne by, or benefits which would accrue to, foreigners (individuals or organizations) are not taken into account unless these are expected, in turn, to result in some cost or benefit to the economy of Lesotho. The monetized benefits that will accrue to the economy of Lesotho as a result of the implementation of the project are estimated at M 274,000 (UA 206,942) in the first year of operation (1986), growing steadily over the years to reach M 9.68 million (UA 7.31 million) in year 2005. This yields a cumulative monetized benefits of M 79.137 million or UA 59.769 million over the twenty-year life of the project. The internal rate of return is estimated at 5 percent.

Date Approved: December 17, 1984.

AGRICULTURE: The Master Plan and Feasibility Study for the Development of Pig and Poultry Industries will, in its first phase, determine whether there is sufficient local and export market demand for the development of the pig and poultry industries in Lesotho. If there is, the second phase of the project will detail the feasibility studies for increased production and establishment of processing plants for pigs and poultry.

Borrower/Implementing Agency: Lesotho, Ministry of Agriculture and Marketing.

Terms: $0.41 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum.

Purpose and Benefits: The Study would determine whether or not there is sufficient market demand to establish domestic processing plants for pork. In the past pigs from Lesotho were sold to South Africa to be processed. Recent market restrictions in South Africa have drastically reduced this flow. Currently, processed pig meat is imported, mainly from South Africa. The development of the indigenous pig industry would provide a means to process domestic meat and thus save foreign exchange. In the poultry industry, large numbers of frozen broiler and day-old layer and broiler chicks are imported from South Africa. The feasibility study would explore the viability of the construction of a hatchery and a slaughter plant for poultry to replace these imports and save foreign exchange.

Date Approved: June 17, 1985.

ENERGY: The Oxbox Hydroelectric Power Study will consist of a feasibility study of a project to construct a dam in the upper catchment of the Malibamatso River for electric power generation and irrigation.

Borrower/Implementing Agency: Lesotho, Ministry of Water, Energy, and Mining.

Terms: $1.2 million equivalent AFDF/TAA loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $1.3 million equivalent.

Purpose and Benefits: The main objective of the study is to select and recommend an optimum design, to establish and define the specific engineering and operating plan for the selected scheme, and then to determine whether it has engineering and economic feasibilty and justification under anticipated economic and financial conditions. The study will also investigate the possibility and extent of using the powerhouse discharges for irrigation and water supply purposes within Lesotho, and recommend a method of regulating the flow of water in the Caledon river.

Date Approved: June 17. 1985.

WATER SUPPLY AND SEWERAGE: The Maseru Water Supply Project – Phase II will consist of: (a) upgrading of the two intake works on the Caledon River; (b) extension of the existing treatment plant including refurbishing the clarifiers; (c) construction of a new highlift pumping station and increasing the capacity; (d) construction of service reservoirs for storage and balancing purposes; (e) extension and rehabilitation of the reticulation system; (f) construction and furnishing of workshops, stores, and offices; (g) provision of consultancy for engineering design and supervision; (h) provision of operational assistance in the form of staff and control equipment; (i) provision of interim water supply measures for Roma and Mazenod while long-term solutions are being studied; (j) institution of protective measures for the existing water supply sources to Maseru especially the Maqalika reservoir.

Borrower/Implementing Agency: Lesotho, Water and Sewerage Branch of the Ministry of Water, Energy and Mines.

Terms: (a) $7.0 million equivalent AFDB loan; 20 years at 9.55 percent interest per annum; (b) $7.8 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $19.2 million equivalent.

Purpose and Benefits: The project will aim at raising the present capacity of Maseru water supply system. This along with some restrictive measures to be instituted to avoid wastage, will ensure clean, wholesome and potable water to Maseru up to the year 2000. The project will also provide some interim measures to improve supply to Roma and Mazenod. The project will result in a substantial positive impact on the health and general socio-economic life in the three centres and would ensure an improvement in the level of services provided to communities surrounding these centres. The economic rate of return is estimated at 6 percent using the present water tariff which is well below the long run marginal cost for water supply.

Date Approved: August 26, 1985.

MADAGASCAR

AGRICULTURE: The Urgent Infrastructure Repairs will consist of prompt repairing of certain damages affecting the agricultural sector, namely in the FIFABE, Mahajamba and Lanicra districts as well as the Dabara canal which feeds the Siramala sugar block. A second aim will be to rehabilitate fully the FIFABE district and highway.

Borrower/Implementing Agency: Madagascar, Rural Development Directorate.

Terms: $1.1 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $1.3 million equivalent.

Purpose and Benefits: The emergency project intended to repair cyclone damage will aim at safeguarding the farming season starting now or, that failing, the next July season.

Date Approved: November 19, 1984.

AGRICULTURE: The Studies, Detailed Preliminary Design and Tender Documents for the Lower Betsiboka Plain Rice Rehabilitation Project will consist of: (a) full survey of water resources in the Betsiboka plains; (b) cost evaluation of back-up storage and dam inter-connection works; (c) detailed study and preparation of tender documents for the Marolambo dam final engineering design; (d) survey of catchment areas, water and soil conservation, practical anti-erosion measures and allied costs; and (e) economic and financial evaluation.

Borrower/Implementing Agency: Madagascar, Direction des Infrastructures Rurales.

Terms: $0.32 million equivalent AFDF/TAA loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $0.34 million equivalent.

Purpose and Benefits: Self-sufficiency in rice production is one of the main objectives of Madagascar's agricultural policy. The country regularly imports 110,000 tons of milled rice every year, which represents a major foreign exchange expenditure. Detailed studies are needed to evaluate precisely the program which AFDB is being asked to finance.

Date Approved: November 19, 1984.

TRANSPORTATION: The Malaimbandy-Mahabo Road Project will consist of: (a) construction and tarring of a two-lane 108 km road between Mahabo and Malaimbandy; and (b) consultant services for works supervision and inspection.

Borrower/Implementing Agency: Madagascar, Ministry of Public Works.

Terms: $16.4 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $18.2 million equivalent.

Purpose and Benefits: The project will aim at linking the Morondava agro-industrial area to the rest of the country and promoting, at least cost, the economic and social development of the impact area mainly through the cultivation of rice and sugar cane in Mahabo. The economic rate of return is estimated at 11 percent.

Date Approved: December 17, 1984.

AGRICULTURE: The Antalaha Oil Palm Agro-Industrial Complex Project will consist of the clearing and planting of 1,350 hectares of oil palm. The palm bunches will be processed by an oil mill which, at full production, will produce 3,240 tons of crude palm oil and 583 tons of palm kernel a year. The project comprises the following components: (a) plantation; (b) basic infrastructure; (c) oil mill; (d) equipment and vehicles; (e) staff and training; (f) maintenance and running costs, and (g) monitoring and evaluation.

Borrower/Implementing Agency: Madagascar, Ministere de la Production Agricole et de la Reforme Agraire (MPARA).

Terms: $4.93 million equivalent AFDB loan; 20 years at 9.86 percent interest per annum. $5.8 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total cost: $17.8 million equivalent.

Purpose and Benefits: The project is technically feasible, financially, and economically viable. It will enable Madagascar to make productive use of its existing agro-industrial installation and cut down its imports of fats thereby saving some foreign exchange with which to import capital goods and spare parts. The project will create 350 permanent jobs and 100 to 150 temporary jobs and improve the living conditions of the people concerned. It will also help open up the area which is isolated from the rest of the country. The financial rate of return is 12 percent and the economic rate of return is 16.5 percent.

Date Approved: December 17, 1984.

TRANSPORTATION: The First Phase of the Rehabilitation of Ambodromany-Port Berge Road Study will consist of the implementation of a feasibility study for the road. The study will consist of a detailed description of the state of the road as well as proposals for its improvement and an analysis of the economic feasibility of the different alternatives. The second phase of the proposal, the detailed engineering and the tender documents will be carried out on the basis of the technical solution adopted at the end of the first phase.

Borrower/Implementing Agency: Madagascar, Ministry of Public Works.

Terms: $0.72 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $0.76 million.

Purpose and Benefits: The road passes through a zone with considerable agricultural potential: cotton, tobacco, rice, onions, etc. A cotton ginning and processing factory also operates at Port-Berge; its capacity is 200 tons per day. This road is also a section of the country's main north-south highway linking Antsiranana to Taolagnar through Antananarivo. The Malagasy Government intends to concentrate on the rehabilitation and maintenance of the existing road network in order to correct its present poor state.

Date Approved: March 12, 1985.

MALAWI

WATER SUPPLY AND SEWERAGE: The Mpira-Balaka Rural Water Supply Project will consist of: (a) an earth fill dam and its related appurtenant works; (b) water treatment plant; (c) PVC trunk mains; (d) 12 reinforced concrete storage tanks; (e) branch and distribution mains; (f) 1,800 communal water points each comprising a stand pipe, apron and cloth washing slab; (g) purchase of vehicles, plant and equipment including spare parts and fuel for the supervision and construction of work by direct and self help labor; (h) engineering services; (i) health education and sanitary promotion; and (j) relocation of 2,000 people from the catchment area of the Mpira Dam.

Borrower/Implementing Agency: Malawi, Department of Lands Valuation and Water (DLVW).

Terms: $12.3 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $14.8 million equivalent.

Purpose and Benefits: Improving peoples general health will make its positive contribution to the economy of the area and the country as a whole. Reduced incidences of the diseases will save in medical bills and more time for the people to engage in economically productive activities. Still more time and money will be saved by bringing water to within easy reach of the people as opposed to the present practice whereby people are forced to walk for long distances in search of water. It is the women and children who are assigned to this difficult chore. A large number of the same women happen to be the heads of their families partly because most men have left the area to work in the South African mines and partly due to the peculiar matrilineal social practice in the area. The time saved by making the water readily available will enable the women to spend more and more time working on their small family holdings (average 1.62 ha) or being engaged as paid labor in several large scale farms in or close to the project area.

Date Approved: November 17, 1984.

HEALTH: The Second Rural Health Care Project will consist of: (a) replacement of the existing Ntchisi district hospital with a new facility fully equipped and furnished; (b) extension of the existing Blantyre School of Nursing and the Medical Assistants Training School with provision of equipment and furniture; (c) establishment of fourteen health sub-centers fully equipped and furnished; (d) strengthening of on-going communicable diseases programs through provision of equipment and supplies and retraining of staff; (e) strengthening of planning capabilities of the Ministry of Health through provision of scholarship for staff training; and (f) project management.

Borrower/Implementing Agency: Malawi, Ministry of Health.

Terms: $10.7 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $12.1 million equivalent.

Purpose and Benefits: Over one hundred thousand people living in the rural district of Ntchisi have not been receiving appropriate health care due to the lack of adequate facilities. The new Ntchisi district hospital will provide them with effective primary and secondary health care at a relatively low cost. Expensive transfers to neighboring district/central facilities will be avoided. Moreover, health sub-centers and rural health workers operating in the district will receive from the new hospital effective referral services needed to maximize their impact. Health sub-centers to be built in about a dozen rural districts will serve a population estimated at about one hundred and forty thousand. These farmers will improve their productivity by decreasing the number of days away on trips to health units and spending more time on their fields. Since health sub-centers will serve as operational bases for primary health care activities, the project will contribute to the improvement of the health coverage of the rural population. Extending Blantyre School of Nursing and Medical Assistants Training School will train more and better qualified health personnel needed for the implementation of Government's health strategies. Since these graduates will be responsible for training health surveillance assistants and other village health workers, the impact of the project on the strengthening of the health care delivery system will be far-reaching.

Date Approved: December 17, 1984.

MALI

WATER SUPPLY AND SEWERAGE: The Village Water Supply Project will consist of the provision of 270 water points comprising 260 productive boreholes of which 10 will be transformed into cistern wells and 10 into modern wells. The principal components of the project will be the following: (a) pegging out work and geophysical exploration; (b) drilling of boreholes; (c) construction of modern wells; (d) construction of cistern wells; (e) supply and installation of pumps; (f) training of villagers on how to use and maintain the water points; and (g) works supervision and inspection.

Borrower/Implementing Agency: Mali, Water Supply and Energy Directorate.

Terms: $5.9 million equivalent AFDF loan; 50 years with 0.75 percent service charge per annum. Total project cost: $6.8 million equivalent.

Purpose and Benefits: The project's principal objective is to improve potable water supply to the population in the districts of Kaynes, Yemane, Nioro, Diema, Nara and Banamba, which have been seriously affected by drought. The population concerned is about 14,500. The provision of water points will considerably reduce hardships encountered in obtaining water to be used for drinking by the population, for the watering of animals (primary source of income for the villages), and for the construction of houses. Water supply security at the moment is becoming vital in the area concerned where many traditional wells dry up at the end of the dry season, sometimes leading to migration. Cattle is sometimes sold off at very low prices in the absence of means to keep them alive. The proximity of water points will enable women and children of the villages to take maximum advantage of the time usually taken to cover long distances in search of water by engaging in more directly productive activities. Women will devote themselves more and more to the care and education of children and the sedentary population will increase their livestock in number and quality, and consequently, their income. On the other hand, the effect of the provision of a water point on farming could be increased productively through stronger ploughing oxen, which will increase their work output.

Date Approved: March 12, 1985.

WATER SUPPLY AND SEWERAGE: The Provision of Water Points will consist of: (a) studies, management and inspection of works; (b) hydrological and geophysical research; (c) drilling of exploratory boreholes and operational boreholes; (d) construction of wells and cistern-wells; (e) supply and setting up of pumping equipment; and (f) construction of pools.

Borrower/Implementing Agency: Mali, La Direction Nationale de l'Hydraulique et de l'Energie.

Terms: $11.9 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $27.4 million equivalent.

Purpose and Benefits: The project's implementation will lead to a very considerable improvement of living conditions in the Gourma and Baoussa, areas hard hit by drought, where people regularly cover average distances of 25 to 30 km in search of water, and livestock easily go without water for more than three days at least. The project will have a positive impact on the development of stock farming owing to a better use of pastures and the availability of greater quantities of drinkable water. The economic rate of return is estimated at 12 to 23 percent.

Date Approved: March 12, 1985.

ENERGY: The Selingue Energy Transmission Loop Study will consist of studies for extending the area served by the Seliginue hydroelectric project. The studies will take into account the commissioning at a later date of the Manantali hydropower station.

Borrower/Implementing Agency: Mali, Ministry of State in Charge of Equipment.

Terms: $0.94 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum.

Purpose and Benefits: As part of its general energy policy, the Government of Mali has decided to extend the impact of the Selingue hydro-electric dam whose installed capacity is used only 30 percent. It is in this respect that the Selingue energy transmission loop has been defined. Since the Selingue-Bamako section has already been completed and studies on the Bamako-Segou section carried out the Malian Government made a request to the African Development Fund in 1983 for the financing of the studies of the upper part of the loop. The studies are justified since several socio-economic advantages are expected once the lines are in operation. Some of these advantages are: (a) extension of the Selingue dam's impact area by making the installation more profitable; (b) reduction in the importation of petroleum products leading to foreign exchange savings; (c) closure of the decrepit thermal power station of Segou; (d) supply of electricity to Bla and thereby improve the standard of living of the inhabitants; and (e) promotion of small- and medium-scale enterprises in the region.

Date Approved: April 11, 1985.

EDUCATION: The Training of Basic Education Teachers Project will consist of: (a) creation of a Pedagogical Institute for General Education in Kangaba (construction, furniture, equipment); (b) creation of a Pedagogical Institute for General Education in Niono (construction, furniture, equipment); and (c) technical assistance and operation of the project implementation unit (clerks of works, expenses).

Borrower/Implementing Agency: Mali, Ministry of Education, Bureau des Projets Education.

Terms: $6.7 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $7.5 million equivalent.

Purpose and Benefits: The project forms part of the policy aimed at improving the quality of basic education and giving it a rural orientation, increasing enrollment ratios and giving literacy actions much wider coverage. It aims at developing the capacity for training first cycle basic education teachers. The new structures to be established will make it possible to produce on a yearly basis as from 1988, 360 new teachers having the qualification and aptitude to teach in the rural areas.

Date Approved: April 11, 1985.

TRANSPORTATION: The Bamako-Bougouni Road Construction Project will consist of: (a) in the urban section the construction of a double-lane, two-way road, with two cycle paths; (b) in the suburban section and in the countryside, the reconstruction of the existing road; and (c) consultancy services for the inspection and supervision of the works.

Borrower/Implementing Agency: Mali, Ministry of Transport and Public Works.

Terms: $12.2 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $27.3 million equivalent.

Purpose and Benefits: The construction of the Bamako-Bougouni road will aim principally at facilitating the country's access to the port of Abidjan. The road is an integral part of the Bamako-Abidjan highway, the country's vital supply route which at present supports over 60 percent of Mali's external trade. It also will aim at ensuring an easier movement on the suburban section where at present serious congestion problems occur during rush hours. The internal rate of return is estimated at 21 percent.

Date Approved: June 17, 1985.

MAURITANIA

HEALTH: The Studies and Technical Assistance in the Health Sector will consist of: a) evaluation of the financial resources of the sector and the development costs of new services and programs and survey of potential sources of recovery of health expenditures; b) assessment of the achievements in the health sector during the current Plan (1981-85) and preparation of the part relating to health of the next Plan; c) preparation in depth of programs for controlling specific diseases (trachoma, urinary bilharziosis) including estimation of the costs; d) raising of the standard of health statistics gathering and compilation and of their redistribution to those concerned; e) preparation of model systems of management of all the activities and resources at the regional level.

Borrower/Implementing Agency: Mauritania, Ministere de la Sante Publique et des Affaires Sociales.

Terms: $1.3 million equivalent AFDF/TAA loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $1.4 million equivalent.

Purpose and Benefits: The purpose of the studies will be to prepare a set of projects involving various health priority subsectors. The implementation of these projects, whose object will be to improve health care delivery at the periphery, will make it possible to rehabilitate the sector. The projects will be complementary and will constitute a homogeneous and coherent whole. They will enable the Government to approach donors and propose projects that have been fully prepared and which form part of a comprehensive program thus insuring maximum impact.

Date Approved: February 13, 1985.

MOROCCO

AGRICULTURE: The Settat Province Integrated Rural Development Project will consist of: (a) the establishment of marketing infrastructure; (b) works and equipment for Work Centers (WCs); (c) socio-economic infrastructure; (d) strengthening of the "Direction Provinciale de l'Agriculture" (DAP) (Provincial Department of Agriculture); and (e) credit.

Borrower/Implementing Agency: Morocco, Ministere de l'Agriculture et de la Reforme Agraire (MARA).

Terms: $44.1 million equivalent AFDB loan; 20 years at 9.86 percent interest per annum. Total project cost: $127.7 million equivalent.

Purpose and Benefits: The project will aim at improving the living conditions of farmers in the province and reducing the country's dependence on the outside world for food. The potential of certain areas makes them ideal for carrying out an integrated program of simple actions aimed at intensifying animal and crop production, strengthening the agricultural extension services and improving the socio-economic infrastructure and the marketing mechanisms. The economic rate of return is estimated at 17 percent.

Date Approved: March 12, 1985.

NIGER

EDUCATION: The CEAO School of Mines and Geology consists of: on the one hand, the construction of a School of Mines and Geology and its campus in Niamey, the provision of appropriate science and miscellaneous equipment, supplementary studies for and supervision of the project as well as the training of EMIG's staff; and, on the other hand, the creation of a project implementation unit which will be provided with equipment, technical assistance, local staff, as well as a budget for its operations.

Borrower/Implementing Agency: Niger, CEAO Project Implementation Unit.

Terms: $11.97 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $27.5 million equivalent.

Purpose and Benefits: The project will aim at providing the 6 CEAO member states and countries in the subregion with a school for higher education, research, consultancy services, central documentation and information in the field of mining and geological business administration. It will help to train both highly qualified personnel and senior executives of member states to be responsible for mineral resources exploitation. This is with the view to solve the problem of skilled manpower shortage and to reduce reliance on transnational companies for expertise and specialized services in such areas as mining, prospection and geology, mineral enrichment, electromechanics, mineral treatment, maintenance, control, regulation, and automatization. With regard to technical labor available in the mining engineering, research and geological sector of the CEAO member states, there are 543 mining engineers and 1,429 advanced technicians. 300 engineers and 600 advanced technicians have to be trained every year. Effective from 1991, EMIG will make it possible to produce 30 to 35 engineers a year, that is 10 percent of the yearly requirement. Similarly, from 1989, it will produce 65 advanced technicians, that is 11 percent of the annual requirement. Therefore, EMIG will be contributing to reducing the chronic shortage of mines and geology personnel and will be giving impetus to the Africanization drive embarked on by foreign mining companies.

Date Approved: December 17, 1984.

REGIONAL

INDUSTRY: The Fourth Line of Credit to the East African Development Bank will consist of a line of credit to finance the foreign exchange components of sub-projects in all productive sectors.

Borrower/Implementing Agency: East African Development Bank (EADB).

Terms: $31.78 million AFDB loan; 14 years at 9.55 percent interest per annum.

Purpose and Benefits: The objective of the line of credit will be to continue to assist in the development of medium scale productive enterprises in the EADB member states by providing EADB with foreign exchange resources for onlending to promoters of medium scale projects that are eligible for financing under the ADB line of credit scheme. Whereas in Uganda the most pressing need is for rehabilitation and modernization of existing industries, in Tanzania, and Kenya priority will be given to increasing the capacity utilization of existing plants. In all member states of the Bank emphasis will be placed on the choice of projects that use local raw materials, promote exports, establish linkages with existing industries and generate government revenues.

Date Approved: September 26, 1985.

RWANDA

NON-PROJECT: The Banque Rwandaise De Developpement (BRD) Project will consist of a line of credit to finance the foreign exchange costs of small- and medium-scale industrial, transportation, agricultural and tourism projects assisted by the BRD. The BRD gives special priority to agriculture and agro-industry. It will also cover the costs of technical assistance.

Borrower/Implementing Agency: Banque Rwandaise de Developpement (BRD)

Terms: $4.8 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum.

Purpose and Benefits: By expanding BRD's financial capacity, the line of credit aims at supporting the policy of promoting small- and medium-scale enterprises in Rwanda. Rwanda considers small- and medium-scale enterprises a preferred production instrument. This option derives from the country's structural constraints. Development through large-scale projects is not appropriate in view of the small size and dispersed nature of its markets.

Date Approved: August 28, 1985.

SAO TOME AND PRINCIPE

TELECOMMUNICATION: The Telecommunications Project will consist of. (a) radio and multiplex equipment; (b) masts, shelters, enclosures and feeder road; (c) energy; (d) connecting cables; (e) maintenance equipment; (f) training; and (g) consultant.

Borrower/Implementing Agency: Sao Tome and Principe, Entreprise Nationale des Telecommunications (ENATEL).

Terms: $1.9 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $2.2 million equivalent.

Purpose and Benefits: The main objective of the project will be to open up the Island of Principe through a reliable and good quality telecommunications systems, with adequate capacity, between that island and the Island of Sao Tome. The project will enable the Principe automatic telephone exchange to be connected to that of Sao Tome and this will in turn improve administrative and economic relations with the capital and promote tourism and foreign technical assistance on the island. The internal rate of return is estimated at 9.4 percent.

Date Approved: November 19, 1984.

TECHNICAL ASSISTANCE: The Technical Assistance Project will consist of the financing of technical assistance to the Ministry of Planning, the National Insurance Company, and the Water and Electricity Supply Company (EMAE).

Borrower/Implementing Agency: Sao Tome, Ministry of Planning, National Insurance Company, and Water and Electricity Supply Company (EMAE).

Terms: $1.1 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum.

Purpose and Benefits: The objective of the project is to grant to the Government varied technical assistance of a limited, but urgent, character to help restructure the departments and companies involved so that they might deal with their respective tasks under the best of conditions. The project also aims at training the staff of these departments and companies so as to enable them to take over the new structures to be established. The present project is conceived as an emergency operation in Sao Tome and Principe.

Date Approved: April 11, 1985.

SENEGAL

AGRICULTURE: The Petit Cote Artisanal Fisheries Development Project will consist of the opening of two fishing centers (in Joal and MBour Mballing) and the development of a third center at Rufisque. It further involves granting a line of credit to artisanal fishermen, boat owners, and wholesale fishmongers for the procurement of two ice-making plants, 100 purse seines, 100 outboard motors, 35 diesel motors, 30 improved traditional canoes, 50 refrigerated transport trucks (35 5-tonners and 15 3-tonners) and four woodwork bases. The main aspect of the project is the creation of a boatyard (with equipment, buildings, housing, and vehicles) and a base (with equipped offices, housing, vehicles, motor repair and maintenance motors) at Mballing.

Borrower/Implementing Agency: Senegal, State Fisheries Secretariat.

Terms: $6.6 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $7.4 million equivalent.

Purpose and Benefits: The project will provide the artisanal fishermen access to modern fishing techniques and at the same time facilitate their progression from mere fishermen to fishermen/boat owners. From the social standpoint, the improvement of the distribution of fish to the interior of the country will increase the food supply. The project has definite financial advantages for the fishermen, fishmongers, and boat owners of the region. Even for the traditional canoes which the project will equip, the average income per fisherman will increase from the present CFA.F 296,800 a year to CFA.F 422,800 a year, an increase of CFA.F 126,000 a year. The figure rises to CFA.F 485,600 a year for the improved canoe and CFA.F 607,000 a year for the modern canoe which the project proposes to build. The project will go a long way to increase the supply of fish at the various consumption centers in the interior of the country. The project's incremental production will increase trade and develop a marketing network, thereby creating jobs in this sub-sector. The estimated economic rate of return is 54 percent.

Date Approved: March 12, 1985.

AGRICULTURE/INDUSTRY/TOURISM: The Line of Credit for Societe Financiere Senegalaise Pour le Developpement De l'Industrie et du Tourisme (SOFISEDIT) Project will consist of financing the foreign exchange cost of various sub-projects involving small- and medium-scale enterprises, in the sectors in which SOFISEDIT operates, namely industry, industrial fisheries and tourism.

SENEGAL – Continued

Borrower/Implementing Agency: Senegal, Societe Financiere Senegalaise Pour le Developpment De l'Industrie et du Tourisme (SOFISEDIT).

Terms: $6.9 million equivalent AFDB loan; 15 years at 10.0 percent interest per annum.

Purpose and Benefits: One of the main objectives of the 7th plan (1986/1989) is the revival of the national economy which should have an average annual growth rate of about 3.2 percent in real terms. In order to meet such an objective, the Government intends to give outright priority to directly productive sectors of high growth potential in the investment program. These sectors are industry, fisheries and tourism. The Government also intends to pursue a State disengagement policy in favor of the private sector whose place in the economy will be strengthened. It has therefore decided to make of SOFISEDIT the masterpiece of the institutional and financial framework with a view to promoting national enterprises in the most dynamic sectors. The line of credit thus proposed is completely in line with the economic development strategy to be followed during the coming years. It will contribute to the economic growth of the country given its selective sectorial orientation to the restoration of the stability of external accounts since it will strengthen sectors geared especially to export activity and to the integration of national enterpreneurs into economic circuits hitherto reserved for foreigners.

Date Approved: April 11, 1985.

SEYCHELLES

TRANSPORTATION: The Victoria Commercial Port Project will consist of: (a) road rehabilitation of 53 km of road on Mahe island including a training program and technical assistance; (b) dredging works to widen and deepen the port entrance channel and ship turning basin and by use of the dredged fill to reclaim new port areas; (c) civil works including extension of the present quay, surfacing of port areas to provide for more open storage space for cargo and containers, and a tug lay-by and repair of the existing quay deck; (d) consultancy services for project supervision and studies.

Borrower/Implementing Agency: Seychelles, Ministry of Planning and External Relations.

Terms: $6.04 million equivalent AFDB loan; 17 years at 9.86 percent interest per annum. Total project cost: $17.3 million equivalent.

Purpose and Benefits: The project is designed to improve the operational efficiency of the port on which the Government is heavily dependent for the clearance of the country's export/import traffic. The operations of the port have been made more difficult in recent years because of inadequate facilities, and this has resulted in costly ship waiting time. The project will provide the necessary facilities to enable the port to handle the traffic more efficiently. The main benefits will be savings in transport costs due to the reduction in ship waiting time. If ship waiting time were to increase excessively, ships, particularly container ships, could refuse to call at the port and thereby occasion higher transport costs for the Seychelles economy. There will also be substantial transport cost savings on petroleum imports which are at present surcharged since oil tankers cannot call at Victoria when fully loaded due to the draft limitations in the port. The financial rate of return is estimated at 12.9 percent, and the economic rate of return is 13.4 percent.

Date Approved: February 13, 1985.

SIERRA LEONE

AGRICULTURE: The Detailed Study of Design of the Rhombe Swamp Irrigation Project will consist of: (a) supplementary detailed surveying, investigations, mapping and preparation of final engineering designs for the irrigation and drainage system and associated structures; (b) determination of cost estimates and the preparation of tender documents; (c) planning of the overall agricultural development; (d) identification of the infrastructural requirements; (e) determination of health and other environmental consequences of the project; (f) determination of the manner and timing of the development of the organization that will manage the project after the construction phase; (g) investigation and analysis of all the financial and economic implications of undertaking the project; and (h) preparation of a detailed implementation schedule.

Borrower/Implementing Agency: Sierra Leone, Ministry of Agriculture and Natural Resources.

Terms: $1.2 million equivalent AFDF/TAA loan; 50 years with 0.75 percent service charge per annum. Total project cost: $1.2 million equivalent.

Purpose and Benefits: The basic objective of the proposed investigations will be to obtain all necessary information supplementing that of earlier studies in order to design a viable project.

Date Approved: January 22, 1985.

SOMALIA

HEALTH: The Middle Juba Region Health Study Project will consist of a study to design a 150-bed regional hospital and five health centers, as well as preparation of tender documents.

Borrower/Implementing Agency: Somalia, Ministry of Health.

Terms: $0.96 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum.

Purpose and Benefits: The purpose of the present study will be to assess the health requirements of the Middle Juba region, to define the components of the proposed health project, and to provide all necessary architectural studies and tender documents.

Date Approved: March 12, 1985.

AGRICULTURE: The project will consist of an agricultural line of credit to the Somali Development Bank. It will support development of irrigated crop production, livestock, fisheries, and produce processing equipment.

Borrower/Implementing Agency: Somali Development Bank.

Terms: $11.7 million equivalent AFDF loan. 20 years with a 0.75 percent service charge per annum.

Purpose and Benefits: The agricultural line of credit will be used by the Somali Development Bank to continue expanding its program of assistance to the small-scale farmers, small and medium scale fishermen, and to their cooperative societies, in Somalia, by financing the purchase of essential items of equipment and recurrent inputs. It is estimated that the agricultural line of credit will finance approximately 56% of SDB's total disbursements over the years 1986 and 1988 inclusive. The SDB has an important role to play in Somalia as it is the most important institution lending to farmers and fishermen. The goods to be procured all have a high foreign exchange element in their cost, so that funding in hard currencies is required. SDB farming and fishing loans are currently for items of capital equipment. Access to and utilization of a financing facility for these items will enable small-scale farmers, and small and medium scale fishermen, and their cooperative societies, to become more productive, thus raising incomes and living standards. Benefits will also accrue to the nation as a whole in terms of import substitution and increased exports.

Date Approved: September 26, 1985.

AGRICULTURE: The Revised Mordile Irrigation Project will consist of: (a) land reclamation; (b) irrigation works; (c) road construction/maintenance equipment; (d) wells and water distribution system; (e) buildings; (f) electricity; (g) farm machinery vehicles and equipment; (h) engineering design and supervision; (i) farm inputs; and (j) project management.

Borrower/Implementing Agency: Somalia, Ministry of Agriculture.

Terms: $15.3 million AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $22.7 million equivalent.

Purpose and Benefits: The incremental food crop production will represent considerable potential for annual net foreign exchange savings. Assuming that the project becomes operational in 1986, by 1992 the incremental annual output of food crops, will be worth, at financial prices, at least So.Sh 273.8 million ($3.2 million) per annum (in real 1984 December prices) net of the foreign exchange costs of farm inputs. The incremental annual foreign exchange earnings (net of imported inputs) from the export crops would be about So.Sh. 277.2 million ($3.3 million) in real May 1985 terms, by 1992. The settling of about 1,073 families would contribute a great deal to the socio-economic life of the settlers. Direct and indirect employment would be generated as a result of this policy. The construction/improvement of the road network and provisions of village wells, latrines, community centres, clinics and schools would reach beyond these direct beneficiaries to a considerable larger proportion of the population living around the project area. There would also be spin off effects from the strengthening of the institutional services and the expansion of credit and marketing services through backward and forward linkages. Additional employment would also be created by the increased activities that would be induced by the project in other sectors such as trading, crop processing, construction and transportation. The Internal Economic Rate of Return (IERR) is estimated to be 36.7 percent.

Date Approved: September 26, 1985.

SUDAN

TRANSPORTATION: The Kosti-Umm Fuwaba Project will consist of: (a) the construction of a 166 km long two-lane bituminous surfaced road, having a 7.0 m wide carriageway and two 1.5 m wide shoulders between Kosti and Umm Ruwaba in the White Nile and Kordofan Provinces of Central Sudan; (b) the consultancy services for the supervision of the above construction works.

Borrower/Implementing Agency: Sudan, Roads and Bridges Public Corporation (RBPC).

Terms: (a) $17.7 million equivalent AFDB loan; 20 years at 9.86 percent interest per annum; and (b) $20.5 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $77.7 million equivalent.

Purpose and Benefits: The economic justification of the proposed road is primarily based on the volume of the road vehicles expected to use it when it is fully improved in 1988 to the end of its 20 year economic life in the year 2007. The base traffic volume data were taken in December 1982 and were subsequently reviewed by the re-appraisal consultant in October 1983. In the latter year AADT recorded was 258 growing at 5.5 percent per annum from 1982. By 1988, when the new road is open, the traffic (AADT) is forecast to increase to 360, comprising 82 percent medium trucks/buses, 15 percent passenger cars and pick-ups and three percent heavy trucks. The project road will also stimulate agricultural and livestock production on Kosti-Umm Ruwaba corridor. Major agricultural crops that are estimated to be directly involved will be groundnuts, sesame seeds, cotton, horticulture and livestock. Most of these benefits are derived from the Kosti-El Obeid road serving as a major access route. Only a small proportion of the benefits, estimated at 25 percent, are attributable to induced production along the route of the road between Kosti and Umm Ruwaba. The economic rate of return is estimated at 20.6 percent.

Date Approved: February 13, 1985.

SWAZILAND

INDUSTRY: The Cotton Yarn Manufacturing Project will consist of a yarn spinning mill with 18,000 spindles, producing 3,000 tons of cotton and cotton-polyester blend yarn annually.

Borrower/Implementing Agency: Swaziland, National Textile Corporation of Swaziland Limited (NTCS).

Terms: $5.3 million equivalent AFDB loan; 13 years at 9.86 percent interest per annum. Total project cost: $12.4 million equivalent.

Purpose and Benefits: The aim of the project is to manufacture cotton yarn and cotton-polyester blend yarn from locally grown cotton for export to Europe and Southern Africa. The project will earn foreign exchange for the Kingdom of Swaziland and create much needed employment opportunities. NTCS will have a positive developmental impact on Swaziland. The spinning plant will be the first phase of the vertical operation to include spinning, weaving, printing, dyeing, bleaching and finishing. This will be the first step towards producing the basic fabrics in Swaziland. In addition the project will create direct employment for both skilled and unskilled personnel. NTCS will employ about 420 people. Finally, the project will utilize 96 percent (in terms of value and quantity) of local raw materials, mainly cotton. At present all the cotton produced in Swaziland is exported. The estimated economic rate of return is 18 percent.

Date Approved: February 13, 1985.

TUNISIA

TOURISM: The Line of Credit to the Banque Nationale de Developpement Touristique will consist of financing foreign exchange costs of sub-projects in the tourism sector, including the hotel trade and para-tourist activities.

Borrower/Implementing Agency: Banque Nationale de Developpement Touristique (BNDT).

TUNISIA–Continued

Terms: $31.8 million equivalent AFDB loan; 15 years at 10.0 percent interest per annum.

Purpose and Benefits: The line of credit will help Tunisia sustain its tourist activity. Its contribution to the strengthening of BNDTs operational resources will significantly support tourist investments with respect to the expansion of the para-tourism sector and the renewal of tourist equipment so as to enable Tunisia to standup to tourist competition from countries of the region.

Date Approved: December 17, 1984.

INDUSTRY: The Fourth Line of Credit to the Banque de Developpement Economique de la Tunisie will consist of a line of credit to finance the foreign exchange cost of capital equipment goods imported for the projects of small- and medium-sized enterprises in the industry, tourism and transport sectors.

Borrower/Implementing Agency: Banque de Developpement Economique de la Tunisie (BDET).

Terms: $21.2 million equivalent AFDB loan; 14 years at 10 percent interest per annum.

Purpose and Benefits: The industrial policy of Tunisia lays emphasis on small- and medium-sized enterprises as the means of promoting the creation of employment and regional decentralization. BDET which is the country's main industrial development financing institution seeks to maintain and strengthen its catalytic role. The present line of credit will consolidate AFDB's action with respect to BDET in order to promote and develop industrial and tourist enterprises.

Date Approved: December 17, 1984.

AGRICULTURE: The Mahdia Rural Development Project will consist of: (a) development of tree fruit production; (b) irrigation development works; (c) development of market gardening and irrigated fodder crops; (d) development of stockraising; (e) supporting research; (f) economic and social infrastructure; (g) machinery and equipment for the OMVS; (h) recurrent expenditures; and (i) short-term credit.

Borrower/Implementing Agency: Tunisia, Office de Mise en Valeur de Souassi (OMVS).

Terms: $20.9 million equivalent AFDB loan. 20 years at 9.55 percent interest per annum. Total project cost: $51.0 million.

Purpose and Benefits: The present project is essentially an intensification project. The land currently under cultivation in the unirrigated areas will not be extended; they will be redeveloped: the bare lands will be planted with almonds, the ageing olive plantations will be converted into mixed orchards of almond and pistachio, and the young olive plantations will be rid of couchgrass. In the irrigated areas, yields will be increased through better distribution of crops both in space (crop pattern) and in time (crop rotation), the introduction of new vegetable and forage species, and better management of water resources. In addition to this, there will be closer supervision of farmers, who will receive adequate quantities of inputs (fertilizers and pesticides). The global effect of the combination of all these actions will be a substantial increase in yields. The project will make it possible to increase agricultural and livestock production and thus: (a) improve the country's trade balance through foreign exchange savings and gains; (b) increase the incomes and consumption levels of 6,300 farm families (35,300 persons) most of whom live below the line of absolute poverty; (c) create more jobs and, consequently, stabilize the population of the region. The economic rate of return of the entire project is estimated at 12 percent.

Date Approved: August 28, 1985.

AGRICULTURE: The Line of Credit to Banque Nationale de Development will consist of medium and long term credits to finance part of the foreign exchange cost of agricultural farms, production cooperative units and major agricultural complexes.

Borrower/Implementing Agency: Banque Nationale de Developpement Agricole (BNDA).

Terms: $19.1 million AFDB loan; 14 years at 9.5 percent interest per annum. Total project cost: $45.4 million equivalent.

Purpose and Benefits: The project's main benefit will be the increase in the production of milk, meat, fish, cereals, almonds and olives; this on the one hand will help reduce the shortfall in milk, meat and cereals and as such contribute in food self-sufficiency and improve the balance of payments on the other hand. The line of credit will also help modernize the farmers production means and accelerate the intensification process in priority areas, where, precisely, agriculture is not financed by other external sources.

Date Approved: August 28, 1985.

UGANDA

INDUSTRY: The Feasibility Study of Rehabilitation of the Cement Industry will consist of: (a) comprehensive study for the proving of the limestone reserves and a general survey of the suitable clays; (b) study of the requirements of the quarry machinery; (c) comprehensive study of the mechanical, electrical, process and civil engineering of the cement plant; (d) a survey of the existing laboratory equipment; (e) recommendations on the requirements and improvements of the machine shop; (f) analysis of the organizational structure; and (g) financial evaluation of the entire project per factory.

Borrower/Implementing Agency: Uganda, Uganda Cement Corporation (UCC).

Terms: $1.2 million equivalent AFDF/TAA loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $1.3 million equivalent.

Purpose and Benefits: The studies will enable the Uganda Cement Industries to prove without doubt the quantities and qualities of the limestone around the Tororo Area, which is very essential for the manufacturing of cement. They also help define the shortcomings and the rehabilitation requirements of the Uganda Cement Industry with the view of eliminating them at a later stage.

Date Approved: November 19, 1984.

AGRICULTURAL: The Agriculture Rehabilitation Study will consist of studies for rehabilitation of seed farms, food crops, and oil seeds development.

Borrower/Implementing Agency: Uganda, Ministry of Agriculture and Forestry.

Terms: $1.1 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum.

Purpose and Benefits: The objectives of the studies will be as follows: (a) to investigate the feasibility of rehabilitating and developing seed farms at Sendusu and Kiroko, Kamwenge, Koch and Adyeda for the production of foundation, registered, and certified seed; and improving the National Seed Services of the Ministry and Forestry; (b) to investigate the feasibility of developing food crops among the farming community in the Western Province districts of Uganda for home consumption and export; and (c) to investigate the feasibility of developing oilseed crops among the farming community in the Northern Province districts of Uganda and the possibility of establishing edible oil processing facilities at Lira and utilization of by-products for livestock feed.

Date Approved: June 17, 1985.

AGRICULTURE: The Dairy Rehabilitation Project will consist of: (a) support to artificial insemination services; (b) training and technical assistance; (c) transport for Dairy Extension services; (d) rehabilitation of Njeru Stock and Demonstration Farm, Rubona Dairy Farm, and Nshaara Stock Farm; (e) rehabilitation of milk cooling centers; and (f) provision of milk collection vehicle fleet, milk processing equipment, and farm inputs and supplies for farmers.

Borrower/Implementing Agency: Uganda, Ministry of Animal Industries and Fisheries

Terms: $13.7 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $17.9 million equivalent.

Purpose and Benefits: The most important and direct benefit resulting from the project will be the increase in fresh milk supplied by the farmers to the Dairy Corporation, and ultimately to the consumer. The Dairy Corporation has made estimates of future milk supply and these project an increase in the collection of milk from 2.0 million liters in 1984 to 21 million by 1988, and to 41 million by 1992. The figures are ambitious, but are probably attainable, particularly given the fact that in 1972 the DC collected 20 million liters. Other major benefits accruing from the project are more long-term. Both the sale to farmers of crossbreeds produced on the stock farms, and the improvement in the provision of the Ministry's AI services, will contribute to an improvement in the quality of the livestock in Uganda, and thus to an increase in milk yields and production levels. The transport back-up being provided for the Dairy Extension Service, and the training facilities to be constructed and brought into operation at Njeru will together enable more dairy farmers to be reached by MAIF. The improved management techniques that will be demonstrated to the farmers by Veterinary Department staff, as well as the farm inputs and supplies that will be made available by the DC will also in their turn encourage improved milk yields and levels of production.

Date Approved: June 17, 1985.

ZAIRE

TRANSPORTATION: The Osokari-Walikale Road Improvement Project will consist of: (a) construction of a 37 km two-lane tarred road; and (b) works inspection and supervision.

Borrower/Implementing Agency: Zaire, Office des Routes.

Terms: $19.4 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $21.5 million equivalent.

Purpose and Benefits: The Bukavu-Kisangani trunk road, of which the section being considered is the most defective, is of primary importance to Zaire's economy in general and in particular to the development of the Kivu region. The completion of the project will bring many areas and their inhabitants out of their isolation, and also promote some economic activities in these areas. The internal rate of return is estimated at 12 percent.

Date Approved: December 17, 1984.

AGRICULTURE: The Second Agricultural Line of Credit to Societe Financiere de Developpement (SOFIDE) will consist of financing the foreign exchange cost of agricultural inputs and trucks.

Borrower/Implementing Agency: Societe Financiere de Developpement (SOFIDE).

Terms: $14.0 million equivalent AFDF loan; 20 years with a 0.75 percent service charge per annum.

Purpose and Benefits: The project will aim at developing food production by the generalized use of chemical fertilizers and will ensure the haulage and marketing of agricultural produce by developing the means of transport in the rural areas.

Date Approved: February 13, 1985.

INDUSTRY: The Modernization and Extension of the "Societe Textile de Kisangani", (SOTEXI). Project will consist of the modernization of pre-weaving and weaving workshops through the replacement of old and outmoded machinery with more efficient equipment and the extension of printing and finishing workshops. It also includes the procurement of major and auxiliary equipment required for moderization and extension, the enlargement of present buildings and extension of utility networks as well as engineering, inspection and supervision.

Borrower/Implementing Agency: Zaire, La Societe Textile de Kisangani, SOTEXI.

Terms: $7.7 million equivalent AFDB loan; 14 years at 9.86 percent interest per annum. Total project cost: $19.8 million equivalent.

Purpose and Benefits: The project will aim at meeting a high demand for textile prints on the local market by increasing SOTEXI's present output by 20 percent, improving its quality and diversifying the product by manufacturing wax prints. The products proposed already have a national market and SOTEXI's distinguished image has already taken root. Its penetration of the market appears therefore easy since with 28 million LM the project is only aiming at ten percent of the demand not met. Technically, the project is well conceived, the company's returns after the implementation of the project remain high with a financial rate of return of 31.7 percent. The economic timeliness of the project is satisfactory, given a rate of return of 21 percent. The project will create 134 direct jobs and will provide medical facilities for 675 persons. The indirect effects of the project are also significant. The industry will be the first major one of its kind to be located outside of Zaire's two main towns. Location effects are reflected in the drive to diversify economic activities in the Haut-Zaire province. Its second phase, which depends on the implementation of the project, will have a direct effect on employment in the rural area.

Date Approved: June 17, 1985.

ZAMBIA

AGRICULTURE: The Oilseed Development Project will consist of, at full development, assisting 39,640 sunflower growers on 70,150 ha producing 719,789 tons of sunflower annually and 18,765 soybean growers on 24,970 ha producing 25,856 tons of soybeans annually with various farm inputs. The main components of the project will be: (a) crop development; (b) institution building; (c) processing; (d) project management unit; and (e) technical assistance.

Borrower/Implementing Agency: Zambia, Ministry of Agriculture and Water Development.

Terms: $8.01 million equivalent AFDB loan; 20 years at 9.86 percent interest per annum; and (b) $14.67 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total project cost: $28.4 million equivalent.

Purpose and Benefits: Zambia's edible oil and fat needs in 1991 when the project matures are estimated at 41,900 tons. As the incremental oil seeds production will yield about 22,013 tons at full development, the project will help to cover about 50 percent of these needs which otherwise would have to be met through imports. As for cake, a full measurement of the impact of the project on cake supply and demand relationships requires adequate information on the present situation and its probable trend in the future. Although this information is lacking, it would appear that Zambia will be at least self-sufficient in soybean cake if a more than proportionate increase in sunflower cake is used in feed manufacturing which would result in complete elimination of soybean cake imports and foreign exchange savings. The economic rate of return of the project has been calculated over a 20 year period on the basis of the estimated incremental economic benefits and cost streams. The economic rate of return is estimated at 48.6 percent. This rate does not take into account the benefits which would be derived from improved grain and input storage, including reduced losses and savings in the cost of temporary storage which would otherwise be used.

Date Approved: November 19, 1984.

INDUSTRY: The Maamba Collieries Rehabilitation II Project will consist of the procurement of equipment, machinery, spare parts and consultant services. The main components of the project will be as follows: (a) new earth moving equipment with spare parts; (b) dense media cyclone with conveying equipment and a hydraulic rock breaker with spare parts; (c) screens for coal grading plant; (d) new ropes for the aerial ropeway; (e) electrical, store, workshop and training equipment; (f) mine water treatment plant; and (g) technical assistance in various mining disciplines.

Borrower/Implementing Agency: Zambia, Maamba Collieries Ltd. (MCL).

Terms: $24.1 million equivalent AFDB loan; 14 years at 9.86 percent interest per annum. Total project cost: $28.7 million equivalent.

Purpose and Benefits: The opportunity cost benefit of the present coal production of MCL in terms of foreign exchange earned or saved can be calculated by estimating how much would importing of 600,000 tons of coal cost on comparable ex-Maamba basis, if such imports were possible. On this basis, the annual import bill would be US$23 million, all in foreign exchange. It should be added, that coal using industries in Zambia also make foreign savings by producing products, which otherwise would have to be imported, or in case of no imports, to be lived without them. The economic rate of return is estimated at 66 percent. MCL employs directly over 1,300 people, whose living in Maamba is dependent on the operation of the mine. In addition, the entire Maamba Township with its 14,000 inhabitants gets its living directly or indirectly from the existence and operation of the Maamba mine. MCL also supplies and services the whole Maamba township with electricity, water, sewerage, roads, schools, health, security, housing for 800 families, daily or weekly supplies, and all other services, that are ordinarily provided by the Government.

Date Approved: November 19, 1984.

ZIMBABWE

AGRICULTURE: The Resettlement Project will consist of settling 2,979 families in an area covering about 107,000 ha. The families will be settled in a total of 93 villages each of about thirty-two households. The total area for agricultural development will rise to about 8,360 ha at full development. Crops grown will include maize, sunflower, beans, groundnuts, cotton, wheat, soya beans, oriental tobacco, vegetables and sorghum. Most of the remaining area (about 99,000 ha) will be used for livestock. The total number of livestock will grow to 6,548, and these will be used for draft power, meat and milk production. The project will provide the necessary support (land development, credit, extension, dips, woodlot plantations, and irrigation development and management) and social infrastructure (rural service centers – RSC), with clinics and cooperative storage depots, classrooms and roads, and water supply points for each village).

Borrower/Implementing Agency: Zimbabwe, Ministry of Lands, Resettlement and Rural Development.

Terms: $10.4 million equivalent AFDF loan; 50 years with a 0.75 percent service charge per annum. Total cost: $11.6 million equivalent.

Purpose and Benefits: The project will at full development result in the annual production of 7,825 tons of maize, 985 tons of sorghum, 2785 tons of sunflower, 943 tons of groundnuts, 1,982 tons of beans, 521 tons of cotton, 470 tons of soybeans, 416 tons of wheat and 10 tons of oriental tobacco. Annual livestock production would amount to 634 tons of meat and 764 tons of milk. The project will provide a livelihood to 2,979 settlers, some 18,000 perople, who were previously either landless or were farming in overcrowded communal lands. They will benefit not only from increased incomes, but also from an improvement in the quality of their lives, resulting from the availability of clinics, water supplies, schools and improved communication. At full project development, the total economic value of maize produced per year will be Z$2.02 million and total crop production Z$4.94 million. Livestock production will be worth Z$0.71 million per year. The rate of return has been estimated at 35.8 percent.

Date Approved: December 17, 1984.

AGRICULTURE: The Agricultural Line of Credit to Agricultural Finance Corporation will consist of a line of credit to onlend to small-scale commercial farmers, resettlement and communal farmers for seasonal and medium-term loans. Medium-term credit will be for on-farm development such as boreholes, fencing, etc., acquisition of light agricultural machinery, and farm buildings. Seasonal loans will be made for fertilizers, chemicals, and other inputs.

Borrower/Implementing Agency: Zimbabwe, Agricultural Finance Corporation (AFC).

Terms: $21.2 million equivalent AFDB loan; 15 years at 10.0 percent interest per annum.

Purpose and Benefits: The loan will be used to strengthen the resource position of AFC to enable it to expand its medium- and short-term lending to small-scale farmers in the country. An increase in AFC's financial resources is not only justified on grounds of its expanded activities, but also on the premise that it is the only source of credit to the small-scale agricultural sector in view of the fact that commercial banks and similar institutions follow traditional, conservative lending policies based on conventional collateral security which small farmers can hardly provide.

Date Approved: August 26, 1985.

TRANSPORTATION: The Rural Roads Project I will consist of: (a) upgrading of existing gravel/earth roads with shoulders on either side, to a two-lane bitumen standard including bridges, culverts and other drainage works; and (b) consultancy services for supervision of the works in the above works.

Borrower/Implementing Agency: Zimbabwe, Ministry of Transport.

Terms: $31.8 million equivalent AFDB loan; 18 years at 9.86 percent interest per annum. Total project cost: $45.4 million equivalent.

Purpose and Benefits: The principal objective of the project will be to upgrade and construct the existing gravel/earth roads to bitumen standards in order to link the four growth points within the impact areas to the main arteries of the highway network and thereby to bring these areas into the main economic and social fabric of the country. The internal rate of return is 19.75 percent.

Date Approved: August 26, 1985.

APPENDIX D

MULTILATERAL DEVELOPMENT BANK LOANS

The tables in this appendix of the fiscal year 1985 *Annual Report* of the National Advisory Council on International Monetary and Financial Policies have been prepared by the Treasury Department in response to the reporting requirements set forth in Section 501(b) of Public Law 96-259 (amending Public Law 95-118).

Multilateral Development Bank Loans and Grants

Date of Final Action	Borrower	Amount ($ millions)	Project or Program	U.S. Vote	Final Disposition of Loan	For Loans Opposed by the United States: Reasons for Opposition	For Loans Opposed by the United States: Does Loan Meet Basic Human Need?
Institution: **IBRD/IDA/IFC**							
10/2/84	India	39.01	National Agricultural Extension	Approved	Approved		
10/12/84	Argentina	12.00	Soyex II	Approved	Approved		
10/2/84	Indonesia	50.00	Power-Supplemental	Approved	Approved		
10/16/84	Indonesia	78.00	Secondary Education I	Approved	Approved		
10/16/84	Malaysia	52.01	Small Scale Industry	Approved	Approved		
10/16/84	Sudan	5.05	Stockroute	Approved	Approved		
10/16/84	Tanzania	10.00	Tas IV	Approved	Approved		
10/25/84	Korea	50.00	KTDC II	Approved	Approved		
10/30/84	Indonesia	11.30	Upland Agriculture & Conservation	Approved	Approved		
10/30/84	Argentina	0.31	IPAKO III	Approved	Approved		
10/30/84	Madagascar	15.00	Cyclone Rehabilitation	Approved	Approved		
10/30/84	Papua New Guinea	9.70	West Sepik Provincial Development	Approved	Approved		
10/30/84	Colombia	0.03	Leasing Bolivar III (R.I.)	Approved	Approved		
10/31/84	Egypt	0.19	Float Glass (Promo)	Approved	Approved		
11/6/84	Colombia	90.00	DFC IX	Approved	Approved		
11/6/84	Colombia	6.00	CORP Financ Colombiana II	Approved	Approved		
11/6/84	Colombia	6.00	CORP Financ Nacional III	Approved	Approved		
11/6/84	Colombia	6.00	CORP Financ Del Valle II	Approved	Approved		
11/6/84	Colombia	130.00	Petroleum I	No	Approved	Economic	-
11/13/84	Argentina	2.05	Inversiones Ind. VCC	Approved	Approved		
11/13/84	Bangladesh	2.00	Ind. Dev. Leasing Co.	Approved	Approved		
11/20/84	Haiti	22.01	Power IV	Approved	Approved		
11/20/84	Jamaica	55.00	Structural Adjustment	Approved	Approved		
11/27/84	Malawi	15.00	Urban I	Approved	Approved		
11/27/84	Morocco	27.01	Vocational Training I	Approved	Approved		

Multilateral Development Bank Loans and Grants—Continued

Date of Final Action	Borrower	Amount ($ millions)	Project or Program	U.S. Vote	Final Disposition of Loan	For Loans Opposed by the United States: Reasons for Opposition	For Loans Opposed by the United States: Does Loan Meet Basic Human Need?
Institution: **IBRD/IDA/IFC**—Continued							
11/27/84	Zambia	7.01	Fisheries	Approved	Approved		
12/11/84	Somalia	0.62	Polypropylene Bags	Approved	Approved		
12/11/84	Swaziland	2.42	Textile Corp of Swaziland	Approved	Approved		
12/13/84	Benin	5.00	Technical Assistance	Abstained	Approved	Human Rights	No
12/13/84	Guinea Bissau	10.00	Rehabilitation Imports	Approved	Approved		
12/13/84	Nepal	7.05	Industrial Development Project	Approved	Approved		
12/13/84	Nepal	8.04	Agricultural Manpower	Approved	Approved		
12/13/84	Pakistan	150.00	Left Bank Outfall Drain	Approved	Approved		
12/13/83	Pakistan	8.03	Agricultural Extension III	Approved	Approved		
12/13/84	Tanzania	27.00	Port Rehabilitation	Approved	Approved		
12/18/84	East Africa Regional	4.00	Sifida III	Approved	Approved		
12/18/84	Egypt	1.86	Egyptian Investment Fin. Co.	Approved	Approved		
12/18/84	Portugal	0.23	Investment Corp. SPI II	Approved	Approved		
12/20/84	Chile	56.00	Agricultural Services & Credit	Approved	Approved		
12/20/84	Chile	80.00	Housing Sector	Approved	Approved		
12/20/84	Nigeria	13.00	Technical Assistance	Approved	Approved		
12/20/84	Sri Lanka	17.00	Irrigation Rehabilitation (Major Tanks)	Approved	Approved		
12/27/84	Argentina	24.00	Petroquimica Cuyo II	Approved	Approved		
1/8/85	Uganda	10.0	Agric. Devel. IFAD II	Approved	Approved		
1/8/85	Uruguay	4.00	Power Eng-A	Approved	Approved		
1/8/85	Zaire	12.50	Maize II/Lulua Agr. Dev.	Approved	Approved		
1/8/85	Somalia	10.60	NW Agric. II	Approved	Approved		
1/8/85	Jordan	30.00	Grtr. Amman Water	Approved	Approved		
1/15/85	Cameroon	8.30	Hevecam Rubber	Approved	Approved		
1/15/85	Madagascar	40.00	Ind. Sector Loan II	Approved	Approved		
1/15/85	Malawi	6.40	Wood Ind. Restr. Tas	Approved	Approved		
1/15/85	Morocco	25.10	Elec. Mech. Ind	Approved	Approved		
1/22/85	Solomon Islands	2.00	Guadalcanal Road	Approved	Approved		
1/22/85	Djibouti	5.00	Education	Approved	Approved		
1/29/85	Brazil	300.00	Dev. Banking III-A	Approved	Approved		
1/29/85	Brazil	72.00	Science & Tech. Educ.-A	Approved	Approved		
1/29/85	India	138.00	Bombay Urban	Approved	Approved		
1/29/85	Zambia	25.00	Agric. Rehab.	Approved	Approved		
2/5/85	Swaziland	8.60	Cyclone Rehab.	Approved	Approved		
2/5/85	Rep. of Korea	95.00	Water Supply III	Approved	Approved		
2/12/85	Yemen Arab Republic	8.00	IBY II	Approved	Approved		
2/12/85	Seychelles	6.20	Ports I	Approved	Approved		
2/12/85	Rwanda	11.50	Agri Research	Approved	Approved		
2/19/85	Philippines	4.00	Telecom.-Tech Asst.	Approved	Approved		

Institution: **IBRD/IDA/IFC** – Continued

2/19/85	Indonesia	131.00	SRDP II (Treecrops)	Approved	Approved		
2/19/85	China	117.00	Power II	Approved	Approved		
2/19/85	Equatorial Guinea	9.30	Cocoa Rehab.	Approved	Approved		
2/19/85	Malawi	23.80	Agric. Res.	Approved	Approved		
2/26/85	China	145.00	University Dev. II	Approved	Approved		
2/26/85	Burkina Faso	13.70	Fertilizer Credit	Approved	Approved		
2/26/85	Ivory Coast	31.30	Forestry II	Approved	Approved		
3/7/85	Yemen Arab Republic	4.70	Tech. Assist To CPO	Approved	Approved		
3/7/85	Guyana	8.80	Forestry Suppl – A	Approved	Approved		
3/7/85	India	300.00	Narmada (Gujarat) DA	Approved	Approved		
3/7/85	India	150.00	Narmada (Gujarat) CA	Approved	Approved		
3/7/85	India	248.00	Coal – Jharia Coking	Approved	Approved		
3/7/85	Senegal	24.00	Water Supply II	Approved	Approved		
3/7/85	Pakistan	100.00	WAPDA IV (Power Tran)	Approved	Approved		
3/14/85	Guinea	9.50	Technical Assistance	Abstained	Approved	Human Rights	No
3/14/85	Chile	11.00	Public Sector Mgmt – A	Approved	Approved		
3/14/85	China	126.00	Coal I	Approved	Approved		
3/14/85	Grenada	5.00	Agr. Rehab. & Dvrs. – A	Approved	Approved		
3/14/85	Nigeria	34.00	Sokoto Health Project	Approved	Approved		
3/14/85	Peoples Democ. Rep. of Yemen	5.00	Agric. Research & Ex	Abstained	Approved	Human Rights	Yes
3/14/85	Tunisia	15.00	NW Agr. Produc.	Approved	Approved		
3/19/85	Guatemala	44.60	Chixoy Power II – A	Approved	Approved		
3/19/85	Panama	51.0	Power VII – A	Approved	Approved		
3/19/85	Uganda	5.10	Petro. Expl. Promo.	Abstained	Approved	Human Rights	No
3/19/85	Uganda	28.80	Power II	Abstained	Approved	Human Rights	No
3/19/85	India	300.00	Maharashtra Petroche	Approved	Approved		
3/19/85	Jamaica	9.00	T A II – A	Approved	Approved		
3/21/85	Liberia	5.00	Water Supply II	Approved	Approved		
3/21/85	Morocco	27.00	Jerada Coal	Approved	Approved		
3/21/85	Rwanda	4.80	TAS Public Sector Mg	Approved	Approved		
3/21/85	Sri Lanka	55.00	Tree Crops IV	Approved	Approved		
3/21/85	Ghana	22.00	Urban Development	Approved	Approved		
3/26/85	Nepal	7.20	Agric. Extension II	Approved	Approved		
3/26/85	Togo	12.40	Education Devel.	Approved	Approved		
3/26/85	India	49.00	Nat. Agric. Ext. II	Approved	Approved		
3/26/85	Kenya	6.00	Nairobi Water Egr	Approved	Approved		
3/26/85	Mauritania	7.50	Small Scale Irrigat.	Approved	Approved		
3/26/85	Mauritania	5.30	IDF II	Approved	Approved		
3/26/85	Mauritania	16.40	Public Ent TA & Reha	Approved	Approved		
3/28/85	Cyprus	7.00	Agricul. Research	Approved	Approved		
3/28/85	Bangladesh	78.00	Primary Educ. II	Approved	Approved		
3/28/85	Ghana	60.00	Recons. Import Credit	Approved	Approved		
3/28/85	Zambia	20.00	Rwys. IV	Approved	Approved		
4/2/85	Yemen Arab Repub.	0.36	Battery Project II	Approved	Approved		
4/2/85	Hungary	73.0	Industry – Fine Chem.	Approved	Approved		

Multilateral Development Bank Loans and Grants–Continued

Date of Final Action	Borrower	Amount ($ millions)	Project or Program	U.S. Vote	Final Disposition of Loan	For Loans Opposed by the United States: Reasons for Opposition	For Loans Opposed by the United States: Does Loan Meet Basic Human Need?
Institution: **IBRD/IDA/IFC**–Continued							
4/2/85	Hungary	80.00	Int. Livestock Indus.	Approved	Approved		
4/2/85	Colombia	129.00	Bogota Water IV–A	Approved	Approved		
4/4/85	Repub. of Korea	1.70	Gold Star X (R.I.)	Approved	Approved		
4/4/85	Peru	13.50	Madre de Dios Gold Mining	Approved	Approved		
4/4/85	Turkey	6.20	Mamas II	Approved	Approved		
4/4/85	Zaire	0.10	Cotton Farm Dev. Promo.	Approved	Approved		
4/4/85	Zaire	6.78	Sotexki	Approved	Approved		
4/9/85	Ethiopia	30.00	Drought Recovery	No	Approved	Expropriation	
4/11/85	Cape Verde	4.00	IDF	Approved	Approved		
4/11/85	China	80.00	Rural Water S. I	Approved	Approved		
4/11/85	China	40.00	Seeds I	Approved	Approved		
4/11/85	Liberia	2.60	Oil Explor.	Approved	Approved		
4/11/85	Oman	23.00	Telecom II	Approved	Approved		
4/16/85	Central African Republic	8.00	Tech. Assist II	Approved	Approved		
4/16/85	Costa Rica	90.00	SAL I (AP 5.0)–A	Approved	Approved		
4/16/85	Costa Rica	3.50	T A I–A	Approved	Approved		
4/16/85	Ecuador	8.00	Public Sector Mgmt.–A	Approved	Approved		
4/16/85	Repub. of Korea	111.00	SM./Med. Industries	Approved	Approved		
4/16/85	Repub. of Korea	53.00	Urban Transport	Approved	Approved		
4/16/85	Mauritania	1.20	Somia	Approved	Approved		
4/16/85	Sri Lanka	24.00	Second Roads Proj.	Approved	Approved		
4/16/85	Zaire	24.00	Ghz Inter-Cont. Hotel	Approved	Approved		
4/23/85	Burundi	18.10	Hwys. IV	Approved	Approved		
4/23/85	Lesotho	3.50	Health/Pop	Approved	Approved		
4/23/85	Portugal	66.00	Coal Hndlg. Port	Approved	Approved		
4/23/85	Thailand	27.50	Regional Cities	Approved	Approved		
4/23/85	Western Samoa	2.00	Dev. Bank (ADB)	Approved	Approved		
4/23/85	Yemen Arab Republic	10.00	Wadi Al Jawf Ag. Dev.	Approved	Approved		
4/25/85	Kenya	8.84	Kenya Oil Corp. Dev. Ltd.	Approved	Approved		
4/25/85	Paraguay	0.80	Western Agri. Prod. SA	Approved	Approved		
4/25/85	Thailand	0.19	Hasbhumi Gold Mining	Approved	Approved		
4/25/85	Tunisia	50.00	Export Industries	Approved	Approved		
4/30/85	Bangladesh	30.00	Flood Rehab. Credit	Approved	Approved		
4/30/85	Bangladesh	110.00	Gas Dev. II	Approved	Approved		
4/30/85	Brazil	61.30	Ne Rural Devt. I–A	Approved	Approved		
4/30/85	Brazil	61.40	Ne Rural Dev. II–A	Approved	Approved		
4/30/85	Madagascar	12.00	Irrigation Rehab.	Approved	Approved		
4/30/85	Mexico	90.00	Agr Devt. I–Chiapas (B)	Approved	Approved		
4/30/85	Mexico	22.00	Chiapas Roads (B)	Approved	Approved		

Institution: **IBRD/IDA/IFC** – Continued

4/30/85	Nepal	22.00	Telecoms IV	Approved	Approved	
4/30/85	Yugoslavia	125.00	Visegrad Hydro	Approved	Approved	
5/7/85	Bangladesh	48.00	Flood Con. & Drainage III	Approved	Approved	
5/7/85	Brazil	16.30	Rural WS & S Pilot – A	Approved	Approved	
5/7/85	Haiti	10.00	Education IV – A	Approved	Approved	
5/7/85	Indonesia	46.00	Population IV	Approved	Approved	
5/7/85	Jordan	13.50	Health	Approved	Approved	
5/7/85	Repub. of Korea	5.00	KDIC II – Venture Capital	Approved	Approved	
5/7/85	Malaysia	31.20	Felda Palm Oil Mills	Approved	Approved	
5/7/85	Nigeria	72.00	Borno WS	Approved	Approved	
5/7/85	Sao Tome & Principe	5.00	Modernization Line O	Approved	Approved	
5/7/85	Sri Lanka	3.96	LOLC Loan III	Approved	Approved	
5/9/85	Burundi	12.30	Trans. & Distr. System	Approved	Approved	
5/9/85	India	200.00	Highways	Approved	Approved	
5/9/85	Madagascar	6.65	Cotona SA	Approved	Approved	
5/9/85	Peru	4.00	EGY Consuth Audits – A	Approved	Approved	
5/9/85	Philippines	38.00	Contractors G&B Facility	Approved	Approved	
5/9/85	Philippines	10.11	NDC – Guthrie Estates (NGEI)	Approved	Approved	
5/9/85	Swaziland	1.63	Fincor Leasing Co.	Approved	Approved	
5/9/85	Turkey	9.20	Cukurova Eng. (Urban)	Approved	Approved	
5/9/85	Turkey	57.70	Indust. Schools I	Approved	Approved	
5/9/85	Turkey	134.50	Ports III	Approved	Approved	
5/9/85	Uruguay	0.50	Astra III	Approved	Approved	
5/9/85	Zimbabwe	10.00	SSE I	Approved	Approved	
5/14/85	China	97.00	Fertilizer Indus. Rat	Approved	Approved	
5/14/85	China	235.00	Railways II	Approved	Approved	
5/14/85	China	72.60	Roads I	Approved	Approved	
5/14/85	Indonesia	39.00	Health Manpower	Approved	Approved	
5/16/85	Bhutan	9.00	Calcium Carbide	Approved	Approved	
5/16/85	Guinea	8.00	Power Engineering II	Approved	Approved	
5/16/85	India	300.00	Chandrapur Thermal	Approved	Approved	
5/16/85	Indonesia	156.00	Irrig. (Kedung OMBO)	Approved	Approved	
5/16/85	Turkey	55.10	Paper Rehab Phase I	Approved	Approved	
5/21/85	Burkina Faso	21.60	Education III	Approved	Approved	
5/21/85	Indonesia	147.00	Education III	Approved	Approved	
5/21/85	Repub. of Korea	25.00	Ag. Credit	Approved	Approved	
5/21/85	Malaysia	6.50	Sabah Forestry (T.A.)	Approved	Approved	
5/21/85	Mali	19.50	Mopti Area Devt.	Approved	Approved	
5/21/85	Mexico	105.00	SM/MED Mining	Approved	Approved	
5/21/85	Thailand	85.00	Refinery I (Bangchak)	Approved	Approved	
5/23/85	Colombia	300.00	Trade Policy – A	Approved	Approved	
5/23/85	India	13.45	Larsen & Tubro	Approved	Approved	
5/23/85	Pakistan	55.00	Petrol. Res. Joint Vent.	Approved	Approved	
5/23/85	Pakistan	178.00	Sector LN. (Energy)	Approved	Approved	
5/23/85	Tunisia	54.00	Elec. & MEC Ind. II	Approved	Approved	
5/28/85	Dominican Republ.	5.80	Voc. Educa. – B	Approved	Approved	

Multilateral Development Bank Loans and Grants–Continued

Date of Final Action	Borrower	Amount ($ millions)	Project or Program	U.S. Vote	Final Disposition of Loan	For Loans Opposed by the United States: Reasons for Opposition	For Loans Opposed by the United States: Does Loan Meet Basic Human Need?
Institution: **IBRD/IDA/IFC**–Continued							
5/28/85	Hungary	75.00	Transport I	Approved	Approved		
5/28/85	India	250.00	Rihand Power Transmi	Approved	Approved		
5/28/85	Indonesia	43.40	W. Tarum Canal	Approved	Approved		
5/28/85	Mexico	81.00	Voc. Educ.–A	Approved	Approved		
5/28/85	Pakistan	100.00	WAPDA V (Power Trans)	Approved	Approved		
5/30/85	Brazil	8.00	Nitroclor. Prod. Quimicos	Approved	Approved		
5/30/85	Brazil	200.00	Railways–A	Approved	Approved		
5/30/85	Egypt	139.00	Agric. Devt. II	Approved	Approved		
5/30/85	Egypt	68.00	Drainage V	Approved	Approved		
5/30/85	Morocco	4.58	Frumat	Approved	Approved		
5/30/85	Togo	27.80	Struc Adj. II	Approved	Approved		
5/30/85	Togo	6.20	T.A. III	Approved	Approved		
6/4/85	Botswana	10.7	Land Mgt. & Livestock	Approved	Approved		
6/4/85	Brazil	312.0	Power Dist–A	Approved	Approved		
6/4/85	Brazil	400.0	Power Transm–A	Approved	Approved		
6/4/85	Ghana	40.0	Roads Maintenance	Approved	Approved		
6/4/85	Hungary	49.5	B–Loan Fine Chem/Livestock	Approved	Approved		
6/6/85	Bangladesh	1.47	PVC Pipes-Wavin	Approved	Approved		
6/6/85	Chile	18.70	Cocar	Abstained	Approved	Human Rights	No
6/6/85	Egypt	4.45	Owens Corning Glass Wool	Approved	Approved		
6/6/85	Egypt	37.0	Port Expans & Rehab	Approved	Approved		
6/6/85	Kenya	32.6	Telecomm III	Approved	Approved		
6/6/85	Repub. of Korea	222.0	Indus. Finance II	Approved	Approved		
6/6/85	Morocco	28.4	Health Development	Approved	Approved		
6/6/85	Pakistan	52.5	Primary Education II	Approved	Approved		
6/6/85	Pakistan	34.5	Water Management II	Approved	Approved		
6/6/85	Tanzania	8.0	Petro Sector T.A.	Approved	Approved		
6/6/85	Tunisia	22.0	Nat'l Irrig. Mgmt. Imp.	Approved	Approved		
6/6/85	Yugoslavia	35.0	Forestry-Bosnia	Approved	Approved		
6/6/85	Philippines	100.0	Agric. Credit I	Approved	Approved		
6/7/85	Cameroon	25.5	FSAR III	Approved	Approved		
6/11/85	Burkina Faso	26.6	Health I	Approved	Approved		
6/11/85	China	47.3	Forestry	Approved	Approved		
6/11/85	China	25.0	Gas Engineering	Approved	Approved		
6/11/85	China	17.0	PI Shi Hang Area	Approved	Approved		
6/11/85	Indonesia	111.0	National Ports Dev.	Approved	Approved		
6/11/85	Indonesia	160.0	Transmigration V	Approved	Approved		
6/11/85	Mexico	300.0	Railway V–A	Approved	Approved		
6/11/85	Sri Lanka	38.0	Dairy II	Approved	Approved		

Institution: **IBRD/IDA/IFC**–Continued

6/13/85	Fiji	6.80	Fiji Sheraton Sopac Resort	Approved	Approved	
6/13/85	Guyana	1.70	Interior Forest (IFI)	Approved	Approved	
6/13/85	Honduras	6.9	Municipal Dev. Prj.–A	Approved	Approved	
6/13/85	India	176.0	Kerala Power	Approved	Approved	
6/13/85	Jamaica	3.54	Eastern Banana Est.–Ebel	Approved	Approved	
6/13/85	Kenya	3.60	Inter-Cont. Hotel Mombasa	Approved	Approved	
6/13/85	Zaire	55.0	Highways VI	Approved	Approved	
6/13/85	Zaire	14.9	Seeds	Approved	Approved	
6/13/85	Ivory Coast	110.0	Highway Sector II	Approved	Approved	
6/14/85	Thailand	.27	Nat. Petrochem. Corp. II	Approved	Approved	
6/18/85	Cameroon	125.0	Roads VI	Approved	Approved	
6/18/85	Chile	55.00	Cabo Negro Methanol	Approved	Approved	
6/18/85	India	165.00	Nat. Soc. Forestry I	Approved	Approved	
6/18/85	Jordan	28.0	Urban II	Approved	Approved	
6/18/85	Mozambique	45.0	Rehabil. Program	Approved	Approved	
6/18/85	Somalia	10.0	Agri. Inputs I	Approved	Approved	
6/18/85	Tunisia	2.26	Siter	Approved	Approved	
6/18/85	Turkey	142.0	Tek Trans. IV	Approved	Approved	
6/18/85	Turkey	300.0	Ag. Sec. Adj. LN. I	Approved	Approved	
6/20/85	Algeria	262.0	National Water Sup/Sew	Approved	Approved	
6/20/85	Burma	14.5	Seeds	Approved	Approved	
6/20/85	Burma	17.8	Timber Distribution	Approved	Approved	
6/20/85	Chile	140.0	Roads III–A LN	Approved	Approved	
6/20/85	China	17.02	Guangzhou Peugeot Auto	Approved	Approved	
6/20/85	Colombia	5.00	Asamera San Fernando Expl.	Approved	Approved	
6/20/85	Morocco	100.00	Agric. Sec. I	Approved	Approved	
6/20/85	Sudan	20.0	Drought Recovery	Approved	Approved	
6/20/85	Yemen, PDR	14.4	Highways IV	Abstained	Approved	Human Rights
6/20/85	Yugoslavia	35.30	Jugobanka	Approved	Approved	
6/20/85	Yugoslavia	55.30	Ljubljanska Banka	Approved	Approved	
6/20/85	Yugoslavia	11.00	Sour Energoinvest	Approved	Approved	
6/25/85	Argentina	180.0	Gas Devt.–YPF–A	Approved	Approved	
6/25/85	Bangladesh	0.50	Bata Shoe Co. Ltd. II	Approved	Approved	
6/25/85	Brazil	100.0	Land Res/Titling–S	Approved	Approved	
6/25/85	Egypt	19.3	Voc. Trng. III	Approved	Approved	
6/25/85	Morocco	40.0	Bnde Exp. IV	Approved	Approved	
6/25/85	Niger	9.3	Irrigation Rehab.	Approved	Approved	
6/25/85	Turkey	0.31	Merchant Bank	Approved	Approved	
6/27/85	India	15.62	Bajaj Tempo	Approved	Approved	
6/27/85	India	0.20	Rural Housing Finance	Approved	Approved	
6/27/85	Indonesia	0.36	Asuransi Manulife-Dharmala	Approved	Approved	
6/27/85	Indonesia	0.83	P.T. Semen Andala Restr.	Approved	Approved	
6/27/85	Jamaica	7.30	Quasi-Equity Inv. Prog.	Approved	Approved	
6/27/85	Trinidad & Tobago	265.00	Tringen II Ammonia	Approved	Approved	
6/27/85	Yugoslavia	92.5	Gas Sector	Approved	Approved	
7/2/85	Fiji	6.5	Development Bank	Approved	Approved	

Multilateral Development Bank Loans and Grants – Continued

Date of Final Action	Borrower	Amount ($ millions)	Project or Program	U.S. Vote	Final Disposition of Loan	For Loans Opposed by the United States: Reasons for Opposition	For Loans Opposed by the United States: Does Loan Meet Basic Human Need?
Institution: **IBRD/IDA/IFC** – Continued							
7/2/85	India	99.0	W. Bengal Minor Irrig.	Approved	Approved		
7/2/85	Indonesia	93.0	Science & Tech. Train.	Approved	Approved		
7/2/85	Repub. of Korea	67.0	Sedul-Busan Corridor	Approved	Approved		
7/2/85	Malaysia	73.3	Second Industrial Train.	Approved	Approved		
7/2/85	Peru	13.5	Power Eng. II – A	Approved	Approved		
7/2/85	Turkey	140.0	Power System Op. Asst.	Approved	Approved		
7/11/85	Argentina	80.00	Hidra Oil	Approved	Approved		
7/16/85	Brazil	20.00	Cimag-Clinker Mill	Approved	Approved		
7/16/85	Brazil	14.00	Nitriflex S.A. (EPM/EPDM)	Approved	Approved		
7/16/85	Burundi	12.8	Forestry II	Approved	Approved		
7/16/85	Chile	100.0	Industrial Sector – A	Approved	Approved		
7/16/85	Egypt	7.47	Aluminium Sulphate	Approved	Approved		
7/16/85	India	41.0	Kerala Water Supply	Approved	Approved		
7/16/85	India	160.0	Maharashtra Irrig. III	Approved	Approved		
7/16/85	Morocco	200.0	Ind. Tr. Pol. (ADJ. II)	Approved	Approved		
7/16/85	Tunisia	27.7	Sabes Irrigation	Approved	Approved		
7/23/85	Domin. Repub.	35.8	Highway Maint. III – A	Approved	Approved		
7/23/85	India	51.0	W. Bengal Population	Approved	Approved		
7/23/85	Mexico	180.0	Agric. Credit – A	Approved	Approved		
7/23/85	Nigeria	53.0	Ino Urban Develop.	Approved	Approved		
7/23/85	Papua New Guinea	27.6	Milne Bay NES	Approved	Approved		
7/30/85	Colombia	36.5	Public Health – A	Approved	Approved		
8/8/85	Arab Repub. of Yemen	9.00	Yemen Ref. Mdting Co. – YRMC	Approved	Approved		
8/27/85	Chile	40.0	Small & Medium IND – A	Approved	Approved		
8/27/85	Jordan	15.0	CVDB II	Approved	Approved		
8/27/85	Repub. of Korea	38.0	Water Supply IV	Approved	Approved		
8/27/85	Mexico	150.0	Housing Devt. B	Abstained	Approved	Economic	
8/27/85	Sudan	30.0	Power Rehabil.	Approved	Approved		
9/10/85	Burundi	9.5	Water Supply II	Approved	Approved		
9/10/85	Ivory Coast	30.0	Indus. Devel.	Approved	Approved		
9/10/85	Nigeria	5.0	Industry TA	Approved	Approved		
9/19/85	Zambia	3.1	Tazama Pipeline	Approved	Approved		
9/19/85	Malawi	11.6	Ext. Planning	Approved	Approved		
9/19/85	Ghana	28.0	Power	Approved	Approved		
9/19/85	Ivory Coast	22.2	Health	Approved	Approved		
9/19/85	Mali	48.6	Highways V	Approved	Approved		
9/19/85	Nigeria	72.0	Lagos Solid Waste Mg.	Approved	Approved		
9/19/85	Syria	7.5	Agric. Extension	Abstained	Approved	Human Rights	
9/19/85	Brazil	24.5	Sta Catarina Towns – A	Approved	Approved		

Institution: **IBRD/IDA/IFC** – Continued

9/19/85	Uruguay	45.2	Power Plant Rehab – A	Approved	Approved	
9/19/85	Papua New Guinea	18.8	Agric. Credit III	Approved	Approved	
9/26/85	Ecuador	24.0	Storm Sewage & Water System in Guayaquil	Approved	Approved	
9/26/85	Guatemala	57.0	Pueblo Viejo-Quixal Hydroelectric	Approved	Approved	
9/26/85	Chile	17.0	Rural Drinking Water System	Approved	Approved	
9/27/85	Honduras	6.6	Preinvestment Studies	Approved	Approved	
9/27/85	Regional	1.40	Preparation Investment Projects	Approved	Approved	

Institution: **IDB**

10/4/84	Honduras	1.02	Mineral Resources Survey	Approved	Approved	
10/4/84	Uruguay	0.05	Credit and Technical Assistance to Small Farmers	Approved	Approved	
10/18/84	Caribbean	25.00	Multisector Credit and Preinvestment Program	Approved	Approved	
10/18/84	Costa Rica	6.00	Agroindustrial Cooperatives	Approved	Approved	
10/25/84	Dominican Republic	0.27	Credit for Small Businessmen	Approved	Approved	
11/9/84	Dominican Republic	0.25	Credit for Women in Agriculture and Handicrafts	Approved	Approved	
11/9/84	Paraguay	37.05	Agricultural Promotion Program	Approved	Approved	
11/9/84	Brazil	70.00	Agricultural Research	Approved	Approved	
11/9/84	Guatemala	0.30	Women Entrepreneurs	Approved	Approved	
11/9/84	Paraguay	0.32	Strengthening National Development Bank	Approved	Approved	
11/14/84	Regional	0.84	Training, Research in Socioeconomic Appraisals	Approved	Approved	
11/14/84	Dominican Republic	37.00	Tourism Development	Approved	Approved	
11/14/84	Central America	15.00	CABEI Preinvestment Program	Approved	Approved	
11/21/84	Chile	35.07	Southern Road Network	Approved	Approved	
11/21/84	Central America	0.42	Agriculture and Rural Development	Approved	Approved	
11/29/84	Haiti	1.62	Mine, Energy Department Strengthening	Approved	Approved	
11/29/84	Regional	9.01	Agricultural Research Centers	Approved	Approved	
11/29/84	Argentina	60.00	Agricultural Development	Approved	Approved	
11/29/84	Argentina	160.00	Industrial Recovery	Approved	Approved	
11/29/84	Peru	160.00	Industrial Recovery	Approved	Approved	
11/29/84	Peru	20.00	Northern Oil Pipeline	Approved	Approved	
11/29/84	Paraguay	0.50	Low-income Artisans	Approved	Approved	
11/29/84	Chile	125.00	Community Development Projects	Approved	Approved	
11/30/84	Central America	1.10	Non-Traditional Exports	Approved	Approved	
11/30/84	Caribbean	0.55	Industrial Development and Trade	Approved	Approved	
12/7/84	Ecuador	175.00	Daule-Peripa River Development	No	Approved	Economic
12/12/84	Chile	48.00	Oil, Gas Exploration and Development	No	Approved	Economic
12/12/84	Argentina	38.08	Agricultural Research and Extension	Approved	Approved	
12/12/84	Mexico	165.00	Agricultural and Livestock Credit	Approved	Approved	
12/12/84	Venezuela	64.00	Agricultural Credit	Approved	Approved	
12/12/84	Costa Rica	17.03	Housing Lots and Urban Development	Approved	Approved	
12/12/84	Costa Rica	35.00	Farm Credit Program	Approved	Approved	
12/12/84	Honduras	24.00	Water Systems in Four Cities	Approved	Approved	
12/12/84	Ecuador	0.50	Agricultural Credit	Approved	Approved	
12/20/84	Colombia	200.00	Rio Grande River Development	Approved	Approved	
12/20/84	Venezuela	350.00	Guri Hydroelectric Complex	Approved	Approved	

Multilateral Development Bank Loans and Grants–Continued

Date of Final Action	Borrower	Amount ($ millions)	Project or Program	U.S. Vote	Final Disposition of Loan	For Loans Opposed by the United States: Reasons for Opposition	For Loans Opposed by the United States: Does Loan Meet Basic Human Need?
Institution: **IDB**–Continued							
12/20/84	Brazil	200.00	Industrial Credit	Approved	Approved		
12/20/84	Costa Rica	28.03	Water and Sewerage	Approved	Approved		
12/20/84	Dominican Republic	150.00	Manabao-Bejucal–Tavera Hydroelectric	Approved	Approved		
12/20/84	Guyana	800,000 (SW)	Agricultural Credit for Cooperatives	Approved	Approved		
12/20/84	Barbados	0.30	Health Services Studies	Approved	Approved		
12/20/84	Dominican Republic	533,000 Can $	Study of Local Roads	Approved	Approved		
12/20/84	Haiti	1.24	Studies of Thermal Power Plant	Approved	Approved		
12/20/84	Brazil	0.45	Improve Health Services	Approved	Approved		
12/20/84	Paraguay	2.15	Strengthen Public Administration and Planning	Approved	Approved		
1/10/85	Jamaica	14.60	Rural Roads	Approved	Approved		
1/10/85	Colombia	28.00	Hydroelectric Power	Approved	Approved		
1/10/85	Colombia	37.50	Education	Approved	Approved		
1/10/85	Ecuador	80.00	Industrial Recovery	Abstained	Approved	Economic	
1/24/85	Brazil	58.50	Road Project	Approved	Approved		
1/31/85	Panama	28.50	Agricul. Credit	Approved	Approved		
1/31/85	Colombia	50.00	Urban Devel.	Abstained	Approved	Human Rights	No
2/7/85	Chile	130.00	Industrial Recovery	No	Approved	Economic	
2/14/85	Guyana	28.00	Industrial Recovery	Approved	Approved		
2/28/85	Barbados	11.70	Queen Eliz. Hospital	Approved	Approved		
3/6/85	Mexico	46.40	Potable Water & Sewage	Approved	Approved		
3/20/85	Brazil	52.00	Feeder Roads Project	Approved	Approved		
4/11/85	Peru	0.44	Educ. Credit and Train.	Approved	Approved		
4/11/85	Andean Pact (Regional)	9.60	Preinvestment Studies	Approved	Approved		
4/11/85	Regional	1.50	Prep. Agricul. Proj.	Approved	Approved		
4/18/85	Regional	0.49	Train. in Intrn'l Fin.	Approved	Approved		
4/24/85	El Salvador	21.0	Water & Sewage in Rural Commun.	Approved	Approved		
5/9/85	El Salvador	0.39	Agro-industry	Approved	Approved		
5/15/85	Colombia	52.0	Complem. Finan. Jaguas Hydroelec. Power Plant	Approved	Approved		
5/15/85	Venezuela	100.0	Industrial Credit	Approved	Approved		
5/23/85	Colombia	130.0	Industrial Reactivation	Approved	Approved		
5/29/85	Honduras	6.90	Animal Health	Approved	Approved		
6/28/85	Regional	0.60	Emergency Disaster Aid	Approved	Approved		
7/25/85	Peru	1,304,000 sf	Small Scale Entrepreneurs	Approved	Approved		
7/25/85	Dom. Rep.	899,000 sf	Low Income Rural and Urban Women	Approved	Approved		
7/25/85	Guatemala	0.480	Agricultural Study	Approved	Approved		
7/25/85	Guyana	16.1	Rehab. Guyana Elec. Corp.	Approved	Approved		
8/15/85	Guatemala	70.0	Industrial Reactivation	Approved	Approved		
9/4/85	Argentina	60.3	Expansion of Northern Gas Pipeline	Approved	Approved		

Institution: **IBRD/IDA/IFC** – Continued

9/12/85	Jamaica	5.450	Preinvestment Studies	Approved	Approved	
9/18/85	Jamaica	0.323	Historic Restoration Studies	Approved	Approved	
9/18/85	Guatemala	64.0	Atlantic Coast Hwy.	Approved	Approved	
9/18/85	Panama	20.15	Improv. of Educ. System	Approved	Approved	
9/26/85	Haiti	11.9	Primary & Normal School Educ.	Approved	Approved	

Institution: **ADB**

10/23/84	Laos	1.00	Xeset Hydropower	Approved	Approved	
10/23/84	Bangladesh	37.00	Secondary Science Education (Sector)	Approved	Approved	
10/25/84	Pakistan	122.00	Left Bank Outfall Drain	Approved	Approved	
10/25/84	Pakistan	31.08	Tarbela Hydropower Extension	Approved	Approved	
10/25/85	Pakistan	13.08	Tarbela Hydropower Extension	Approved	Approved	
11/6/84	Fiji	3.02	Agricultural Development	Approved	Approved	
11/6/84	Solomon Islands	2.00	Guadacanal Road Improvement	Approved	Approved	
11/15/84	Korea	67.00	Eighth Water Supply	Approved	Approved	
11/15/84	Indonesia	60.00	Second Kalimantan Livestock Development	Approved	Approved	
11/15/84	Western Samoa	4.00	Fifth Development Bank of West Samoa	Approved	Approved	
11/20/84	Nepal	28.01	Sixth Power Project	Approved	Approved	
11/20/84	Malaysia	24.05	Compensatory Forestry Sector	Approved	Approved	
11/29/84	Pakistan	16.00	Second Health & Population	Approved	Approved	
12/4/84	Malaysia	25.04	Trengganu Smallholders Development	Approved	Approved	
12/4/84	Sri Lanka	45.00	Plantation Sector Project	Approved	Approved	
12/6/84	Malaysia	64.02	Sungaj Piah Hydropower	Approved	Approved	
12/6/84	Bangladesh	103.08	Second Natural Gas Development	Approved	Approved	
12/11/84	Indonesia	83.00	Third Senior Technical Schools	Approved	Approved	
12/11/84	Laos	8.00	Second Forestry Development	Approved	Approved	
12/11/84	Thailand	122.06	Mae Moh Power	Approved	Approved	
12/11/84	Thailand	72.06	Rural Telecommunications	Approved	Approved	
12/11/84	Nepal	9.06	Rural Water Supply Sector	Approved	Approved	
12/11/84	Korea	27.00	Ninth Water Supply	Approved	Approved	
12/13/84	Nepal	17.08	Hill Agriculture Development	Approved	Approved	
12/13/84	Bhutan	7.04	Second Multiproject Loan	Approved	Approved	
12/13/84	Pakistan	40.00	Chashma Commend Area Development	Approved	Approved	
12/13/84	Kiribati	0.55	Betio Shipyard Rehabilitation	Approved	Approved	
12/18/84	Indonesia	25.00	Multisector Program	Approved	Approved	
12/20/84	Philippines	85.00	PNOC Energy Project	Approved	Approved	
12/20/84	Philippines	27.9	Supplementary Loan to Allah River Irrigation	Abstained	Approved	Economic
12/20/84	Philippines	33.00	Second Power System Development	Approved	Approved	
1/8/85	Malaysia	45.00	Kedah Reg. Dev. Sector	Approved	Approved	
1/9/85	Bangladesh	0.43	Khulna Coastal Embankment Rehab.	Approved	Approved	
1/17/85	Indonesia	23.40	Land Resource Eval. & Planning	Approved	Approved	
1/17/85	Indonesia	40.20	IKK Water Supp. Sector	Approved	Approved	
1/22/85	Sri Lanka	12.40	Secondary Towns Power Distrib.	Approved	Approved	
1/22/85	Papua New Guinea	0.30	Livestock Sector Rev.	Approved	Approved	
1/26/85	Bangladesh	0.30	Bangladesh Krishi Bank	Approved	Approved	
1/31/85	Fiji	0.15	Road Upgrading	Approved	Approved	

Multilateral Development Bank Loans and Grants–Continued

Date of Final Action	Borrower	Amount ($ millions)	Project or Program	U.S. Vote	Final Disposition of Loan	For Loans Opposed by the United States: Reasons for Opposition	For Loans Opposed by the United States: Does Loan Meet Basic Human Need?
Institution: **ADB**–Continued							
2/5/85	Bangladesh	39.00	Second Livestock Devel.	Approved	Approved		
2/5/85	Bangladesh	3.50	Second Livestock Dev.	Approved	Approved		
2/7/85	Bangladesh	0.70	Fourth Crop Intensific.	Approved	Approved		
2/15/85	Bangladesh	0.75	Seventh Power	Approved	Approved		
2/19/85	Pakistan	28.00	Gujranwala Agric. Devel.	Approved	Approved		
2/20/85	Nepal	1.10	Forestry Develop.	Approved	Approved		
2/25/85	Burma	0.15	Small Scale Irrig. Sec.	Approved	Approved		
3/21/85	Thailand	130.90	Third Bangkok Water Suppl.	Approved	Approved		
3/27/85	Indonesia	0.35	Study of Irrig. Mngement	Approved	Approved		
4/17/85	Korea, Rep. of	0.07	Third Sewage Treatment	Approved	Approved		
4/23/85	Thailand	0.58	Shelter Sector	Approved	Approved		
4/23/85	Thailand	38.0	Shelter Sector	Approved	Approved		
4/25/85	Thailand	0.19	Small Indus. Cred. Guarantee Fund	Approved	Approved		
4/25/85	Malaysia	0.08	Water Supply and Sanit. Sector Profile	Approved	Approved		
4/25/85	Maldives	0.20	Inter Island Transport Operations Review	Approved	Approved		
5/26/85	Thailand	0.22	Monitoring & Supervis. Perf. of State Enterpr.	Approved	Approved		
5/6/85	Western Samoa	0.25	Dev. of National Accts.	Approved	Approved		
5/21/85	Indonesia	37.9	Univ. of Sriwijaya	Approved	Approved		
6/10/85	Philippines	0.35	Second Aqua-Culture Development	Approved	Approved		
6/24/85	Bangladesh	0.08	Brahmaputra Basin Gas Transm. & Distrib.	Approved	Approved		
6/24/85	Bhutan	0.08	Road Construc. & Training	Approved	Approved		
6/25/85	Indonesia	1.0	Bank Pembangunan	No	Approved	Economic	
6/25/85	Indonesia	0.4	P.T. Kratama Belindo International	No	Approved	Economic	
6/25/85	Philippines	0.35	Livestock Sector Dev.	Approved	Approved		
6/25/85	Thailand	0.25	Land Resource Eval. & Planning	Approved	Approved		
6/25/85	Thailand	0.15	Mangrove Forestry Devel.	Approved	Approved		
7/2/85	Papua New Guinea	11.0	Ports Develop. Project	Approved	Approved		
7/16/85	Fiji	7.0	Fiji Dev. Bank II Proj.	Approved	Approved		
8/2/85	Malaysia	0.300	Kelantan Reg. & Twnshp. Devel. Proj.	Approved	Approved		
8/7/85	Bhutan	0.235	Highland Livestock Proj.	Approved	Approved		
8/8/85	Papua New Guinea	0.252	Agric. Mktg. Supp. Serv.	Approved	Approved		
8/9/85	Indonesia	0.72	Kalimantan Transp Sector Profile	Approved	Approved		
8/9/85	Korea	0.075	Sewage Treatment Sector	Approved	Approved		
8/16/85	Papua New Guinea	0.350	Forestry Devel. Study	Approved	Approved		
8/19/85	Malaysia	0.075	Transmission System Reliab. Improv. (LLN)	Approved	Approved		
8/21/85	Pakistan	0.224	Baluchistan Trickle Irrig. Proj.	Approved	Approved		
8/23/85	Nepal	0.350	East Rapti Irrig. Proj.	Approved	Approved		
8/30/85	Pakistan	0.163	Pakistan Engin. Co., Ltd. Rehab. & Expan. Program	Approved	Approved		

Institution: **ADB** – Continued

9/2/85	Indonesia	0.250	Vocational Educ. II Proj.	Approved	Approved		
9/12/85	Indonesia	0.340	Nucleus Estate & Smallholder Coconut/Cocoa	Approved	Approved		
9/13/85	Pakistan	275.0	Gas Devel. Proj.	Approved	Approved		
9/13/85	Sri Lanka	0.158	Account. & Audit Educ. Master Plan	Approved	Approved		
9/17/85	Bhutan	0.687	Manpower Devel. & Train.	Approved	Approved		
9/19/85	Nepal	0.250	Hill Fruit Devel. Proj.	Approved	Approved		

Institution: **AFDB/AFDF**

11/13/84	Benin	0.87	Abomey-Bohicon-Ketou-Illara-Save-Okeowo Road Study	Abstained	Approved	Human Rights	No
11/13/84	Botswana	22.72	Serowe-Orapa Road	Approved	Approved		
11/13/84	Cape Verde	5.99	Maio Port Construction	Approved	Approved		
11/13/84	Cape Verde	20.19	Aio Cement Factory	Approved	Approved		
11/13/84	Comoros	5.06	Tatinga Hydro-Electric in Anjouan	Approved	Approved		
11/13/84	Djibouti	2.35	Geothermal Exploration (TAA)	Approved	Approved		
11/13/84	Ethiopia	20.40	Dairy Rehabilitation & Development	No	Approved	Expropriation	
11/13/84	Ghana	24.98	Line of Credit	Approved	Approved		
11/13/84	Ghana	14.72	Subri Industrial Planation	Approved	Approved		
11/13/84	Lesotho	6.44	Masianokeng-Mafeteng-Roma Roads Rehabilitation	Approved	Approved		
11/13/84	Madagascar	0.30	Lower Betsiboka Plain Rice Rehabilitation Study	Approved	Approved		
11/13/84	Madagascar	1.04	Urgent Infrastructure Repairs	Approved	Approved		
11/13/84	Malawi	11.64	Mpira-Balaka Rural Water Supply	Approved	Approved		
11/13/84	Sao Tome & Principe	1.87	Telecommunication	Approved	Approved		
11/13/84	Uganda	1.11	The Uganda Cement Industry Rehab. Study	Abstained	Approved	Human Rights	No
11/13/84	Zambia	22.69	Maamba Collieries Rehabilitation	Approved	Approved		
11/13/84	Zambia	22.45	Agricultural Rehabilitation	Approved	Approved		
11/13/84	Zambia	7.55	Oilseeds Development	Approved	Approved		
11/13/84	Zambia	13.83	Oilseeds Development	Approved	Approved		
12/12/84	Zaire	18.29	Road Project	Approved	Approved		
12/12/84	Zimbabwe	9.85	Resettlement	Approved	Approved		
12/12/84	Congo	2.20	CFO Railways	Approved	Approved		
12/12/84	Egypt	59.94	Line of Credit	No	Approved	Economic	
12/12/84	Equatorial Guinea	2.73	Cocoa Sector Development	Approved	Approved		
12/12/84	Ghana	13.80	Agricultural Line of Credit	Approved	Approved		
12/12/84	Guinea	14.26	Artisanal Fisheries and Pisciculture Development	Approved	Approved		
12/12/84	Guinea	10.19	Artisanal Fisheries and Pisciculture Development	Approved	Approved		
12/12/84	Lesotho	12.03	New Maseru Inter-National Airport	No	Approved	Economic	
12/12/84	Madagascar	4.65	Antalaha Oil Palm Agro-Industrial Complex	No	Approved	Economic	
12/12/84	Tunisia	29.97	Line of Credit	Approved	Approved		
12/12/84	Tunisia	19.88	Line of Credit	Approved	Approved		
12/12/84	Madagascar	5.55	Antalaha Oil Palm Agro-Industrial Complex	No	Approved	Economic	
12/12/84	Madagascar	15.46	Malaimbandy-Mahabo Road	Approved	Approved		
12/12/84	Malawi	10.12	Rural Health II	Approved	Approved		
1/22/85	Sierra Leone	1.06	Rhombes Swamp Irrig	Approved	Approved		
1/22/85	Kenya	1.43	Dev. Study for a Prop. Second Univ.	Approved	Approved		
1/22/85	Equatorial Guinea	0.13	Improv. of Bata Arpt. & Fit. of Malabo Arpt.	Approved	Approved		

Multilateral Development Bank Loans and Grants – Continued

Date of Final Action	Borrower	Amount ($ millions)	Project or Program	U.S. Vote	Final Disposition of Loan	For Loans Opposed by the United States: Reasons for Opposition	For Loans Opposed by the United States: Does Loan Meet Basic Human Need?
Institution: **AFDB/AFDF** – Continued							
1/23/85	Equatorial Guinea	0.52	Electrif. of Ten Towns	Approved	Approved		
2/13/85	Equatorial Guinea	1.02	Pre-Invest. & Design Studies in the Health Sector	Approved	Approved		
2/13/85	Sudan	18.96	Kosti-Ruwaba Road	Approved	Approved		
2/13/85	Mauritania	1.20	Studies & Technical Asst. Health Sector	Approved	Approved		
2/13/85	Angola	0.90	Study-Caita-Lucapa (TAA)	Abstained	Approved	Human Rights	No
2/13/85	Zaire	12.91	Second line of credit to Sofide	No	Approved	Economic	
2/13/85	Sudan	16.33	Kosti-UMM Ruwara Road	Approved	Approved		
2/13/85	Seychelles	5.89	Victoria Comm. Port	Approved	Approved		
2/13/85	Swaziland	4.90	Cotton Yarn Manuf.	Approved	Approved		
3/12/85	Mali	11.06	Provis of Water points (Mali Sec. of Liptako-Gourma)	Approved	Approved		
3/12/85	Mali	5.49	Village Water suppl (WAEC Prog.)	Approved	Approved		
3/13/85	Senegal	6.09	Petite Cote Artisanal Fisheries Dev.	Approved	Approved		
3/13/85	Cameroon	1.61	Feasibility & Detailed Engin. Designs for Yaounde-Kribi Rd.	Approved	Approved		
3/13/85	Madagascar	0.65	Feasibility & Detail. Engin. Studies for the Rehab of RN-6 Amboundromany-Port Berge Road	Approved	Approved		
3/13/85	Somalia	0.89	Req. Study & Prep. of Architec. Designs & Tender Doc. for Middle Juba Region Health Proj.	Approved	Approved		
3/12/85	Morocco	40.80	The Settat Province Integ. Rural Dev.	Approved	Approved		
4/11/85	Senegal	6.44	Credit for Tourism	Approved	Approved		
4/11/85	Mali	6.30	Proj. for the Training of Basic Educ. Teach.	Approved	Approved		
4/11/85	Mali	0.89	Feasibility Study for Energy Loan	Approved	Approved		
4/11/85	Sao Tome & Principe	1.01	Tech. Asst. to Minis. of Plann.	Approved	Approved		
4/11/85	Kenya	12.87	Sheep and Goat Devel.	Approved	Approved		
4/11/85	Ethiopia	1.18	Studies for Dev. of Surf. water	No	Approved	Expropriation	
4/11/85	Ethiopia	15.55	Small Scale Irrig.	No	Approved	Expropriation	
6/17/85	Zaire	7.24	Modernization & Ext. of Sotexi	Approved	Approved		
6/17/85	Benin	8.05	Queme Prov. Rural Dev.	Approved	Approved		
6/17/85	Mali	11.42	Bamako-Bougouni Road	Approved	Approved		
6/17/85	Guinea	0.57	Feas. Stud. on Kolente Agro-Industrial Proj.	Approved	Approved		
6/17/85	Burundi	5.93	Agric. Line of Credit to BNDE	Approved	Approved		
6/17/85	Burundi	14.61	Rugombo-Kayanza Road	Approved	Approved		
6/17/85	Uganda	1.03	Studies of Rehab of Seed Farms, Food Crops and Oil Seeds Dev.	Approved	Approved		
6/17/85	Uganda	1.62	Prep. of Archit. Designs and Contract Documents Ministry of Education	Approved	Approved		
6/17/85	Uganda	12.79	Dairy Rehabilitation	Approved	Approved		
6/17/85	Lesotho	0.38	Feas. Study of Dev. Pig and Poultry Indus.	Approved	Approved		
6/17/85	Lesotho	1.14	Feas. Study for Oxbow Hydro-Elec Proj.	Approved	Approved		

Institution: **AFDB/AFDF** – Continued

8/26/85	Botswana	8.15	Secondary Schools and Vocational Train. Proj.	Approved	Approved	
8/26/85	Lesotho	6.62	Maseru Water Supply Proj.	Approved	Approved	
8/26/85	Zimbabwe	29.95	Rural Roads Project	Approved	Approved	
8/26/85	Zimbabwe	19.96	Agric. Line of Credit	Approved	Approved	
8/26/85	Cameroon	10.60	La Mape Dam Proj.	Approved	Approved	
8/26/85	Gabon	40.10	Rubber Scheme Proj. Phase I	Approved	Approved	
8/26/85	Egypt	43.42	Power Project	Approved	Approved	
8/26/85	Tunisia	19.77	Rural Develop. Proj.	Approved	Approved	
8/26/85	Tunisia	17.97	Line of Credit	Approved	Approved	
8/26/85	Ivory Coast	56.10	Road Program	Approved	Approved	
8/26/85	Botswana	6.44	Secondary Schools & Train. Proj.	Approved	Approved	
8/26/85	Lesotho	7.36	Maseru Water Supp Proj.	Approved	Approved	
8/26/85	Burkina Faso	1.30	Irrig. Dams Study	Approved	Approved	
8/26/85	Ghana	1.07	Pulp & Paper Mill Proj.	Approved	Approved	
8/26/85	Guinea	1.00	Health Sector Studies	Approved	Approved	
8/26/85	Equatorial Guinea	0.57	Water Supp. & Systems Study	Approved	Approved	
8/26/85	Burundi	9.19	Primary & Secondary Educ.	Approved	Approved	
8/26/85	Rwanda	4.60	Line of Credit	Approved	Approved	
8/26/85	Botswana	1.38	Road Project	Approved	Approved	
9/23/85	East African Dev. Bank	29.95	Line of Credit	Approved	Approved	
9/23/85	C.A.R.	7.17	Educ. Project	Approved	Approved	
9/23/85	Equatorial Guinea	5.79	Educ. Rehab. Proj.	Approved	Approved	
9/23/85	Somalia	11.03	Agric. Line of Credit to DBE	Abstained	Approved	Economic
9/23/85	Somalia	14.39	Irrig. Project	Approved	Approved	
9/23/85	Ghana	1.73	Health Sector Studies	Approved	Approved	

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STATISTICAL APPENDIX

SECTION A.—Statistical Tables on U.S. Government Foreign Grants, Credits, and Other Assistance

Explanatory Note

These statistical tables, and this Explanatory Note, were prepared by the Bureau of Economic Analysis, Department of Commerce, in consultation with the National Advisory Council Secretariat, in accordance with specifications of the National Advisory Council. This presentation continues that formerly published in more detail by the Bureau of Economic Analysis, in "Foreign Aid by the United States Government, 1940-1951," a 1952 supplement to the *Survey of Current Business*, and in the periodic report *Foreign Grants and Credits by the United States Government.*

The tables are compiled by the Bureau of Economic Analysis from information made available by agencies operating the grant, credit, and other assistance programs, and include some estimates for transactions not yet recorded on the operating agencies' books.

Items which are based on estimates have been adjusted or qualified on the basis of information received to the date of preparation of these tables, but in some instances are subject to future adjustments.

Transactions included.—The data tabulated in this appendix are divided into three categories—grants, credits, and other assistance through net accumulation of foreign currency claims under programs for the sale of agricultural commodities. The Government's capital investments in, or contributions to, the international financial institutions constitute an additional measure taken by this Government to promote economic recovery and development.

Payments to the *international financial institutions* do not result in immediate equivalent aid to foreign countries. Use of available dollar funds is largely determined by the managements of the institutions, in some instances subject to certain controls which can be exercised by the U.S. Government.

Grants are transfers for which no payment is expected[1] or which at most involve an obligation on the part of the receiver to extend aid to the United States or other countries to achieve a common objective. *Credits* are loan disbursements or transfers under other agreements which give rise to specific obligations to repay, over a period of years, usually with interest. *Other assistance* represents the transfer of U.S. farm products in exchange for foreign currencies (*plus*—since the enactment of Public Law 87-128—principal and interest collections in foreign currencies for credits extended under the farm products sales program) *less* the Government's disbursements of the currencies as grants, credits, or for purchases. The net acquisition of currencies represents net transfers of resources to foreign countries under the agricultural programs, in addition to those classified as grants or credits. Detailed descriptions of the types of transactions included in these categories are given in the Explanatory Note to the statistical appendix of the *Report* of the National Advisory Council for January—June 1960.[2] Additions to and changes in these descriptions are given below.

Some distinction is made in these tables between *military grants* and *other grants*. Generally, this classification is made from the underlying legislative authorization under which the assistance is provided, classifying as military those programs that were enacted to furnish military supplies or services to foreign countries. In addition to obvious delivery of military supplies and concomitant services, cash payments in fulfillment of the underlying military assistance program are also included as military grants. These cash payments provide for the purchase of military end-terms—from U.S. military services, from commercial suppliers in the United States, and from other countries—and to otherwise finance approved military projects of the recipient country. On the other hand, aid provided as "defense support" or "security supporting assistance"—even when intended to provide support to a beneficiary in its budget maintenance of its military force—is included in the *other grants* category.

Credits financing military purchases, described in paragraph 4g in *Grant, credit, and other transactions covered* (below), are sometimes distinguished from *other credits*. However, no distinction is made between military credits and other credits in *summary* compilations.

Occasionally, assistance has been given under indeterminate conditions, subject to future settlement. Indeterminate aid on this basis is included with grants, in the period rendered. When settlement for such indeterminate aid is agreed upon, the terms may call for a cash settlement or may establish a long-term credit. Cash settlements are included in returned grants. Amounts of the newly established credits are added to outstanding indebtedness.

The term *assistance* is applied as a concise label to the aggregation of transactions reported on in this section. Most of these transactions were authorized under legislation specifically intended to provide foreign *aid*, or foreign *assistance*, through grants or long-term credits with low interest rates. However, other transactions were authorized under legislation intended to promote export trade by providing credit support to foreign economies on relatively hard, commercial, *nonconcessional* terms. One significant "commercial" program is that of the Commodity Credit Corporation (CCC), a U.S. Government agency.

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[1] In many instances, some of the counterpart funds (the commensurate foreign currency value), or of the foreign currency proceeds resulting from the distribution of goods through commercial channels in the foreign country, is required to be made available to the U.S. Government for its own use.

[2] H. Doc. No. 154, 87th Cong., 1st sess.

The U.S. Government receives some returns on its gross grants and credits. The returns which are deducted from gross grants and credits to arrive at net grants and credits include (1) reverse lend-lease; (2) the dollar value of the portion of grant counterpart funds paid to the United States for its use; (3) returned lend-lease and civilian supply ships; (4) returns of military equipment "loaned"; (5) cash received in war-account settlements for lend-lease and other aid; and (6) principal repaid, but not interest, on credits. The Government's disbursements of currencies are deducted from the accumulation of currency claims in calculating net other assistance.

Interest collected on the credits extended by the U.S. Government is tabulated separately in this *Report*. The data on interest shown in this *Report* do *not* include the interest collected on accumulated foreign currencies on deposit abroad.

Comparable data: Statistical Abstract.—Although the data in Tables 1424 and 1425 of the 1986 *Statistical Abstract of the United States* are comparable to *Tables A–2* and *A–3*, respectively, of this *Report*, the geographical arrangement in the *Statistical Abstract* corresponds with that used in the foreign assistance publications of the Agency for International Development. Summaries of transactions with developed and less-developed countries are also given in the *Abstract* tables. Data for each year through 1970 are given in series U75–U186 of "Historical Statistics of the United States, Colonial Times to 1970" (Bicentennial Edition).

Comparable data: Balance of payments.—The total amount for Government capital contributions to international financial organizations, grants, credits, and other assistance in this section is not identical with the amount shown for Government grants and capital in the balance-of-payments accounts in *Tables 1* and *2* of this *Report*. The balance-of-payments compilations are published quarterly by the Bureau of Economic Analysis in its *Survey of Current Business*. Table 4 in the quarterly article details the Government transactions in a format analytically comparable to the presentations in the tables in this *Report*.

The main factors contributing to the difference between the presentations are described in the following paragraphs.

First, transactions representing (1) Government investments in certain productive facilities abroad; (2) Government recoveries on funded claims (see *Transactions excluded*, below); (3) principal collections on that part of "World War I indebtedness" that is being regularly serviced (currently by Greece and Hungary); (4) acquisition (subrogation) of assets by the Agency for International Development (AID) and Overseas Private Investment Corporation (OPIC), compensatory to disbursement in fulfillment of an investment guarantee or insurance contract (and the disposition of the asset) and similar acquisition and disposition of assets in fulfillment of loan guarantees and insurance on export credits by the Export-Import Bank (EIB) and Commodity Credit Corporation (CCC); (5) recoveries by disposition of assets acquired through other settlements (such as liquidation of the CCC claim against Intra Bank S.A.L. (Lebanon) pursuant to the agreement of October 11, 1967, between CCC and the Governments of Lebanon, Kuwait, and Qatar); (6) investment of the Panama Canal Commission, an agency of the Government, in Panama, beginning October 1, 1979; and (7) Government investment in international buffer stock accounts such as for rubber and tin are included in U.S. Government capital in the balance-of-payments statements but not in this section (see *Transactions excluded*, below).

Furthermore, the balance-of-payments statistics on U.S. Government capital movements also include net changes (1) in foreign currency holdings resulting from transactions other than those under the farm products programs and (2) in other short-term assets—accounts receivable and short-term credits up to and including 1 year—which are excluded from data in this section. Finally, contributions to the multilateral construction program of the North Atlantic Treaty Organization are included as military grants in this section, but are shown only as military expenditures in the balance-of-payments presentations.

There is some difference in classification of transactions which are incorporated into both the balance-of-payments statistics and in this section. *Grants financing military purchases* are not included in *military* unilateral transfers but are included in *other* unilateral transfers in the balance-of-payments accounts; however, because this *Report* endeavors to reflect activity against the underlying legislative authorizations—which are characterized as *military*—these transactions are included in *military grants* in this section.

Entries in balance-of-payments accounts for interest collected by the U.S. Government include, in addition to the data reported in *Table A–11*, income on Government investment in certain productive facilities abroad, on foreign currency and U.S. dollar balances held in foreign depositaries, and on the U.S. Government holdings of reserve assets abroad and with the International Monetary Fund. Income from the Fund recorded in the balance-of-payments statistics includes that on drawings by the Fund from the U.S. Government under the General Arrangements to Borrow (GAB) or the Supplementary Financing Facility (SFF) and on holdings of special drawing rights (the latter being recorded net of payments of current charges on the cumulative allocations of special drawing rights).

Comparable data: International investment position.—The total amount for outstanding indebtedness of foreign countries on U.S. Government credits shown in this section is not identical with the entry for nonreserve assets of the U.S. Government in articles entitled "International Investment Position of the United States." Those articles are published annually by the Bureau of Economic Analysis in its *Survey of Current Business*. "U.S. loans and other long-term assets" in the annual article includes—in addition to the data from *Table A–8* of this *Report* and the accumulation of the Government capital contributions to international financial organizations (from *Table A–1*)—the cumulative asset position from the transactions enumerated above in the description of *comparable balance-of-payments data*.

Comparable data: Development assistance statistics.—The data tabulated in this section are the basis—with some modifications—of those presented as "disbursements" (amounts extended and amounts received) in the U.S. submission for the Organization for Economic Cooperation and Development/Development Assistance Committee (OECD/DAC) Annual Aid Review. In that submission, and in subsequent utilization of these data by OECD (in the *DAC Chairman's Report* and elsewhere), they are generally divided into *official development assistance (ODA)* and *other official flows (OOF)*, which together comprise *official flows*. Data on commitments, as submitted to the DAC, are included in *Table B–1* in this *Report*. Data on disbursements are incorporated into *Table B–2*. Table 1503 in the 1986 *Statistical Abstract* incorporates these same data on

U.S. disbursements in a summary presentation of development assistance from all donor countries consistently extracted from OECD/DAC sources.

One significant modification in the data when used in the DAC context is the exclusion of military grants and of all credits to finance the sale of military equipment. The DAC data have also been modified significantly to include the transactions with the *international financial institutions* on an *issuance* basis, i.e., at the time a letter of credit is provided to the international financial institution, rather than on an *encashment* basis, which is used in the series in this *Report*. The latter is the basis customarily used in the *balance of payments* and *international investment position* presentations (discussed above) and in recording U.S. Government *budget expenditures* or *outlays* (see *Fiscal data*, below).

Comparable data: Commitments.—The Agency for International Development (AID) annually publishes *U.S. Overseas Loans and Grants and Assistance from International Organizations*, which presents data on obligations and loan authorizations under the same programs as reported here. In addition to differences in timing between *obligations* and *transfers* (see *Fiscal data*, below), the AID series otherwise differ by presentation of fiscal—rather than calendar—year activity and in the treatment of particular items.

Comparable data: Active foreign credits.—Summary data on credits included in this *Report* are from an edited analysis of the same data base that is used for *Active Foreign Credits of the United States Government*, a triannual publication of the Department of the Treasury, and are thus comparable with minor exceptions to data for long-term credits appearing there. The *Active Foreign Credits* publication presents a detailed enumeration of every active foreign credit of the U.S. Government, showing its current status (amounts undisbursed and amounts of principal outstanding). It also includes information on credits and accounts receivable with original maturities of 1 year or less, utilized and still outstanding.

Comparable data: Development Coordination Committee report.—Development Issues, the annual report of the Chairman of the Development Coordination Committee, reproduces data from many of the above enumerated sources. "Statistical Annex 1" is a reproduction of the *U.S. Overseas Loans and Grants and Assistance from International Organizations*, described above. "Statistical Annex 2" reproduces information from budget presentations and from the *DAC Chairman's Report*, described above. "Statistical Annex 3" reproduces the *Active Foreign Credits* report, described above.

Two tables in "Statistical Annex 2" are directly comparable to this *Report*. Information on repayments of U.S. Government credits under the Foreign Assistance Acts is extracted from *Table A-10* of this *Report*. The summary of major U.S. Government net foreign assistance is developed from the presentation in the *Statistical Abstract*, described above.

Fiscal data.—The measure of grants and credits shown here—transfers—is not fiscal data. It is the same as *budget expenditures* only when dollars are disbursed as direct assistance. Expenditures in payment of the goods or services often occur before or after the actual transfers recorded here. The amounts of the transfers are sometimes estimated from data on expenditures or (for services rendered) from fiscal data on *obligations*. Values of commodities transferred from Commodity Credit Corporation stocks are frequently estimated at current export offering price, *not* at CCC cost (see paragraph 5a in *Grant, credit, and other transactions covered*, below).

Dollar equivalents.—The measure of foreign grants and credits generally is in terms of (1) dollars disbursed by the U.S. Government to or for the account of a foreign government or other foreign entity or individual, (2) dollar equivalents of goods delivered or shipped, services rendered, or foreign currencies disbursed to or for such foreign account, and (3) the dollar equivalent of interest capitalized and of outstanding principal that is refinanced. Correspondingly, returns are measured in terms of the dollars received by the U.S. Government, or the dollar equivalents of goods, services, and foreign currencies received. Dollar equivalents are, of necessity, estimated for all transactions not in U.S. dollars, statistically calculated upon procedures outlined in applicable Office of Management and Budget and Treasury Department regulations.

Meaningful interprogram, intraprogram, and intercountry comparabilities of the data are achieved through the use of dollar equivalents.

Currency of transactions.—Utilizations and collections of principal and interest include those in U.S. dollars, other currencies, materials, and services. Because the medium of exchange of one transaction on a credit (such as utilization by disbursement) does not determine the medium of exchange of another (such as principal and interest collections), a credit disbursed in dollars may be repayable in a foreign currency.

To reflect the significant part of the foreign indebtedness to the U.S. Government on credits that is not repayable in U.S. dollars, two supplemental tables (*A-8A* and *A-8B*) are included in this *Report*. They separate the total outstanding indebtedness amounts shown in *Table A-8* into the two categories "repayable in U.S. dollars" (at the option of U.S. Government) or "repayable in other than U.S. dollars" (at the option of the debtor). The available option is generally the debtor's currency but the latter table also includes amounts which are repayable by offsets, in particular by *currency-use offsets* (as described in paragraph 5c in *Grant, credit, and other transactions covered* below).

Currency of denomination.—International indebtedness may be recorded on the books of a creditor in different currencies (or units of account). The *currency of denomination* of indebtedness is the currency (unit of account) upon which the valuation of the indebtedness may be calculated. Moreover, the valuation of the unit of account may be a constant in relationship to the U.S. dollar, or it may float in response to market forces, or it may be otherwise determined by a formula established in the indebtedness contract.

Although most indebtedness that is denominated in U.S. dollars is repayable in U.S. dollars, some is repayable in foreign currencies "with maintenance of U.S. dollar value." Other indebtedness is denominated in a foreign currency and repayable "without maintenance of U.S. dollar value" in the same currency or in another foreign currency. A very small amount of indebtedness is denominated in a foreign currency but repayable in "units worth of U.S. dollars."

Period covered.—Revised summary data for the entire postwar period (July 1, 1945,[8] through December 31, 1984) are included in *Table A-1*. *Tables A-2* through *A-6* and *Table A-11* present data for the first 33½ postwar years, July 1, 1945, through December 31, 1978, in total and annually for each subsequent calendar year. Revised data on credit activity for the entire postwar period are given in *Tables A-7* and *A-10*.

In preparing these tables, data collected from reporting agencies have been adjusted in some instances to place in the proper period transactions which supplemental data have shown actually occurred other than in the period in which reported. However, such changes have generally been made only when the adjustments appeared sufficiently large to be significant.

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[8] For lend-lease, surplus property, and grant settlements, the postwar period is calculated from V-J Day (Sept. 2, 1945).

Geographical presentation.—Assistance is shown by country, or general area, where possible. In certain instances (particularly in the earlier post-World-War II period) data for parent countries include those for their colonial dependencies; for example, although goods have been shipped to a then dependent area, Tunisia, such aid was reported as rendered to the parent country, France. Data for Japan include transactions for the Ryukyu Islands, shown separately in *Reports* prior to the agreement with Japan concerning reversion of the Ryukyu Islands that entered into force May 15, 1972.

Data presented for *China: Unspecified* include transactions with official and private entities in the mainland areas in the period prior to 1950 and those whose status is currently under review. Data presented for *Taiwan* include transactions with public and private entities on Taiwan.

Separate detail data for Cambodia, Laos, and Vietnam became available during 1954. For earlier periods data for Indochina are included in *Unspecified Asia.*

The area *Western Hemisphere*, for which totals are shown in all geographical tables, excludes Canada. Data for Canada are always shown separately.

Where country detail is not available the data are shown if possible by area as *Unspecified*, for a named area, otherwise as *Unspecified, all areas.*

Transactions shown for a country are *not* necessarily with the government of such country, but are often with individuals, relief organizations, multinational organizations, or other private entities located in the designated country and considered to be within its economy. Thus, for example, net credits for Canada include loans to Irving Oil Co., and the net grants for Hungary include relief commodities donated to the League of Red Cross Societies for distribution to individuals.

With changes in military assistance programs and release from security classification beginning in the early 1970's, the Bureau of Economic Analysis has developed calendar year data for the periods shown in *Tables A–2* through *A–6* and they are incorporated into the presentations. Full country information is presented in *Table A–3. Table A–4A* provides full country information on grants under the military assistance programs set out in *Table A–2*, and *Table A–4B* provides the full country information on grants under the other programs.

Transactions excluded.—In addition to the U.S. Government grant programs included in this section, there are several operations of the Government abroad which are sometimes called grants or assistance, but are not included in these tables. Details of, and elaboration on, many of these grant exclusions are given on pages 37-38 of the *Report* for January-June 1960.[3] Some changes in exclusions since the earlier *Report* are set out in *Grant, credit, and other transactions covered*, below.

Several types of transactions represent value received *by* the U.S. Government but are not included in the returns data.

Transactions on "World War I indebtedness," including those arising from disbursements under the Liberty Bond Acts as late as 1929, are excluded from the tables in this section.

The U.S. Government frequently settles claims on its behalf for financial consequences of the actions of another government (such as in agreements with France entered into June 12, 1975, and with Israel, December 17, 1980), or settles claims espoused on behalf of U.S. nationals for property, rights, and interest affected by nationalization or expropriation (such as in the agreement with Egypt entered into May 1, 1976, and in the agreement with the People's Republic of China entered into May 11, 1979). Although the U.S. Government often receives single settlement collections or agrees to accept deferred, or scheduled, periodic collections on what become *funded claims*, the transactions are excluded from the tables in this section. The Government has accepted foreign currency from Egypt in compensation for claims under the agreement of May 19, 1979, and the recovery is excluded from these tables under the principles just set out (however, the foreign currency collection is commingled with other recoveries *from 2d-stage operations* in *Tables A–1* and *A–2*.)

Acquisition (subrogation) of assets by AID and OPIC, compensatory to disbursement in fulfillment of an investment guarantee or insurance contract, are not included in credits. If the asset is subsequently incorporated into a debt reorganization, or an agreement for scheduled recovery (repayment) is otherwise negotiated, the latter agreement is included in the data in this *Report* (see paragraphs 3d and 3e in *Grant, credit, and other transactions covered*, below). Similar acquisition and disposition of assets in fulfillment of loan guarantees and insurance on export credits under programs of EIB and the GSM-101 and GSM-102 programs of CCC are also not included. If the asset is subsequently incorporated into a debt reorganization, or an agreement for scheduled recovery (repayment) is otherwise negotiated, the latter agreement is recorded as a disbursement against the *Export-Import Bank Act* or the *Commodity Credit Corporation Act*, respectively, and is included in the data in this *Report* (see paragraphs 2e and 15 in *Grant, credit, and other transactions covered*, below).

The Government invests in international buffer stocks under the Fifth International Tin Agreement (Treaties and International Acts Series 8607) and the International Natural Rubber Agreement (Treaties and International Acts Series 10379). Public Law 96-175 authorized contribution of 5,000 long tons of tin to the assets of the buffer stock account of the International Tin Council; Public Law 86-271 authorized payment of $88 million to the buffer stock account of the International Rubber Organization. These transactions are excluded from the tables of this section.

Advances to the U.S. Government, and consequent transactions of the U.S. Government repaying a foreign government or entity, are excluded from the tables in this section. These liabilities are not included in the derivation of net credits, although such liabilities are sometimes netted together with assets in analyses of international capital accounts.

Transactions involving relatively *short-term* foreign indebtedness to the U.S. Government, among which are the following significant categories, are excluded from the tables.

1. Some transactions under the Commodity Credit Corporation (CCC) export credit sales program are excluded from the tables in this section, to the extent they represent receivables originally scheduled to mature in 1 year or less. The export credit sales program claims scheduled to mature in periods in excess of 1 year are included in the data in this *Report* (see paragraph 15 in *Grant, credit, and other transactions covered*, below).

Although short-term transactions under the export credit sales program were discontinued in 1980 and, by December 31, 1981, receivables originally scheduled to mature in 1 year or less were virtually eliminated, the CCC "blended credit" program was instituted late in 1982 (see paragraph 15, below, as cited). Part of this program includes receivables scheduled to mature in 1 year or less.

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[3] H. Doc. No. 154, 87th Cong., 1st sess.

2. Short-term credits and other receivables originally scheduled to mature in 1 year or less and extended under the provisions of the Arms Export Control Act (Public Law 90-629, sections 21 and 22, as amended) are excluded from the tables in this section.

3. Transactions of the U.S. Exchange Stabilization Fund under exchange agreements are also excluded from the tables in this section.

4. Accounts receivable are excluded from this section. Such accounts receivable arise on international postal accounts, pending settlement by offset or collection, and from other governments for their shares of operations of the international ice patrol under the International Convention for the Safety of Life at Sea (Treaties and Other International Acts Series 3597).

5. Advance payments for goods and services, including receivables on progress payments under overseas contracts of the military services, are generally excluded from the data in this section. The $1 billion advance payment in August 1982 to Mexico by the Department of Energy for imports for the Strategic Petroleum Reserve is included (see paragraph 16 in *Grant, credit, and other transactions covered*, below), for it was explicitly represented as a vehicle of temporary financial assistance to Mexico.

Transactions with international financial institutions covered.—The U.S. Government has made equity capital investments in international financial institutions which provide development and other longer term economic assistance to foreign countries.

Payments of the U.S. quota in the International Monetary Fund are the primary basis for calculating the net asset position of the United States in the Fund. Such asset is considered to be a monetary reserve asset held with the Fund and, thus, the U.S. investments in the Fund are *not* included in the figures in this section. The Fund provides general financial assistance of relatively short term to all of its members, and the United States itself drew from the Fund in 1964–68; all these drawings were settled by the end of 1968. The United States again drew from the Fund in 1970-72; all of these drawings were settled by March 1975. After Public Law 94-564 authorized U.S. acceptance of amendments to the Articles of Agreement of the Fund, the United States drew from the Fund, against its reserve tranche, in 1978; under the amended articles, which entered into force in April 1978, drawings (purchases of other currencies) against a reserve tranche do not have to be repaid.

Drawings by the Fund from the U.S. Government, under the General Arrangements to Borrow (GAB), or for the Supplementary Financing Facility (SFF), also augment the net asset position of the United States in the Fund, and are also not included in the figures in this section. Public Law 87-490 authorized an appropriation of $2 billion for U.S. participation in the GAB, which was established by industrial member countries of the Fund and under which each participant undertakes to provide specific amounts of its currency to help finance drawings from the Fund by another GAB participant. Public Law 98–181 increased the authorization for GAB appropriations to the equivalent of 4¼ billion special drawing rights. Public Law 95-435 authorized an appropriation of not to exceed an amount of dollars equivalent to 1.45 billion special drawing rights for U.S. provision to the SFF upon call from the Fund; Public Law 95–481 restricted the total to $1,831,640,000.

No attempt has been made in these tables to allocate to foreign countries the assistance rendered through the international financial organizations by use of U.S. Government investments. The U.S. Government has a larger equity investment in the paid-in capital of these institutions than any other government. Data on the operations of these international institutions are included in sections D through I of the statistical appendix.

Specifically, the international financial institution investments that are included in this section of the appendix are those in the three international financial institutions in the World Bank Group—the Bank itself, the International Development Association (IDA), and the International Finance Corporation (IFC)—and three regional institutions—the African Development Fund (AFDF), the Asian Development Bank (ADB), and the Inter-American Development Bank (IDB)—as described in the following paragraphs. Technical assistance grants that have been made to these institutions are recorded in the category *grants* and not in the figures on equity investment.

1. U.S. participation in the World Bank, the *International Bank for Reconstruction and Development* (IBRD), was authorized in Public Law 79-171 (the Bretton Woods Agreements Act).

IBRD borrows much of the funds it lends by floating publicly held bond issues. The bulk of Government subscription constitutes a guarantee of these bonds, and is callable by the IBRD to meet its obligations in the remote possibility of a drastic deterioration of the ability of the Bank's debtors to repay their borrowings. Of the Government subscriptions, 10 percent of the earlier, and 7½ percent of the later, represent paid-in capital to be used for operations, and the remainder may be called only to meet IBRD obligations on securities it has issued or guarantees it has given.

In several steps through Public Law 97-35, the authorized capital subscription was increased to $16,973 million for which through December 31, 1983, the Congress had appropriated $1,103 million to subscribe to the paid-in capital.[4]

2. Public Law 86-565 authorized an initial U.S. subscription of $320 million to the *International Development Association*; the purpose of IDA is to promote the economic development of less-developed member countries whose needs cannot be met under IBRD lending programs. Subsequent legislation through Public Law 98-473 authorized increased U.S. participation in the resources of IDA, bringing the allowable U.S. contributions to $11,462 million.[4]

3. The *International Finance Corporation* was created to supplement the activities of IBRD by making direct loans to private enterprises without government guarantees as to repayment. The original U.S. subscription of $35,168,000, authorized by Public Law 84-350, was increased by $111,493,000 in Public Law 95-118.

4. Public Law 89-369 authorized an initial U.S. subscription of $200 million ($100 million paid-in capital and the remainder callable capital) to the *Asian Development Bank*; the purpose of ADB is to foster economic growth and cooperation among countries in Asia and the Far East, collectively and individually. In 1972, $100 million was authorized for a contribution of "United States Special Resources" in Public Law 92-245. Public Laws 93-537, 95-118, and 98-181 increased the authorized U.S.

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[4] Public Law 92-268, the Par Value Modification Act (as amended by Public Law 93-110), also authorized additional payments "to maintain the value in terms of gold of the U.S. dollar holdings" to the extent provided in the Articles of Agreement of the IBRD, IDA, ADB, and IDB.

subscription to $2,699 million ($320 million paid-in capital and $2,379 million callable capital).[4]

The special funds resources have been subscribed to the Asian Development Fund. Through Public Law 98-181 the authorization for the Asian Development Fund was increased to $1,295 million.

5. Public Law 86-147 authorized an initial U.S. subscription of $150 million to the paid-in capital, of $200 million to the callable ordinary capital, and of $100 million to the Fund for Special Operations of the *Inter-American Development Bank.* The Bank is authorized to issue securities, and the Government subscription is callable to guarantee such securities. Through 1984 (Public Law 98-181) the authorized subscription to the Fund for Special Operations was successively raised to $4,450 million.[5] Public Law 94-302 authorized U.S. subscriptions to paid-in interregional capital stock of the Bank and to callable interregional capital, as well as to the ordinary capital. Through Public Law 98-181, the authorizations for ordinary and interregional capital, together, were successively raised to $858 million for paid-in capital and $10,694 million for callable capital.[4]

Public Law 98-473 authorized a U.S. subscription of $51 million to the *Inter-American Investment Corporation.*

6. Public Law 94-302 initially authorized a U.S. subscription of $25 million to the *African Development Fund.* Public Laws 95-118, 96-259, and 98-181 increased this authorization to $350 million.

7. Public Law 97-35 authorized a U.S. subscription of $360 million ($90 million paid-in capital and $270 million callable capital) to the *African Development Bank.*

Grant, credit, and other transactions covered.—Detailed descriptions of the types of transactions included in these categories are given on pages 39-50 of the *Report* for January-June 1960.[3] The following changes in coverage in the present section should be noted.

1. Revisions in security classifications have enabled the inclusion of data for one credit and two grant programs in this section, although these programs were noted as excluded in the *Report* for January-June 1960.[3] These programs are *Philippine military aid* provided under Public Law 79-454; *Japanese military aid* enacted in section 108 of Public Law 83-665; and credits for *financing of military sales* under subsections 103(c) with maturities up to 10 years and 106(b) with maturities up to 3 years, of Public Law 83-665, as amended, as superseded by the provisions of subsection 503(a) and of section 522 of Public Law 87-195, as amended, and by Public Law 90-629. The revised data for these programs are separately shown in *Table A–2* and are incorporated into the other tables, in their proper categories.

2. The presentation of data on operations of the *Export-Import Bank* has been revised from that used in the *Report* for January-June 1960[3] in respect to participations by others in loans of the Bank, particularly when such participations are guaranteed by the Export-Import Bank.

2a. In the January-June 1960 *Report,*[3] disbursements by U.S. commercial banks and other private entities—with Export-Import Bank guarantee—under the agent-bank program then existing, were included as transactions of the Bank, whereas data on such disbursements (and principal repayments thereon) were *excluded* from the July-December 1961 *Report*[6] and all subsequent *Reports* (see footnote 7 to *Table A–7*). This was done to achieve consistency in the classification of these transactions in the private sector—in all balance-of-payments and foreign banking transactions reporting—and is consistent with ensuing Bank programs described below.

2b. The Bank also undertook a program for participation of commercial banks in its loans, without guarantee, recording these as "reimbursements by participants." Subsequently, these participations were undertaken "with recourse" (i.e., effectively with guarantee by the Bank).

In this *Report,* Export-Import Bank loan disbursements are reported after deducting some of the transactions classified by the Bank as "reimbursements by participants." Such reimbursements represent recovery of U.S. Government funds (1) through sales to private U.S. participants of fractions of notes acquired previously for the Export-Import Bank's portfolio or (2) where the Bank acts as an agent for the participating private domestic or foreign entity, or a foreign government in current disbursements of a loan. However, reimbursements through sales to *foreign* participants, either in the country of the borrower or a third country are not included in "reimbursements by participants," but are included in "principal collections," in this presentation. A participation of other Government agencies (*except* for one transaction involving $7 million and participations in individual loans sold to the Secretary of the Treasury deposit accounts related to foreign government defense procurement in the United States, aggregating $312 million) in loans of the Export-Import Bank is generally not included in disbursements of the Bank in this presentation, but is included against the other program only.

Through fiscal year 1976, these "reimbursement transactions" had been considered sales of assets, and resulted in a reduction of loans receivable. As of June 30, 1976, the Bank changed this accounting treatment with respect to the Certificates of Beneficial Interest (in its loan portfolio) that it had sold with recourse, so that these instruments are now treated as borrowings rather than as asset sales. (At the same time, the Bank discontinued new sales of these Certificates.) As a result, loan maturities represented by outstanding guaranteed Certificates of Beneficial Interest ($481 million) were reinstated as loans receivable, and the Certificates are now shown as borrowings payable, in the statements of financial condition of the Bank. The revised accounting statement treatment has *not* been followed in this *Report,* where sales of Certificates of Beneficial Interest continue to be recorded—for long-term series consistency and cross-account consistency with bank-reported statistics on private-sector international financial movements—as described in the preceding paragraph. Consequently, there is *excluded* from indebtedness outstanding to the Export-Import Bank as of December 31, 1984 (as shown in *Table A–8*), $4 million, owed to purchasers of Certificates of Beneficial Interest in foreign assets guaranteed by the Export-Import Bank.

The sale of Eximbank Investment Portfolio Participation Certificates (which afford the purchasers a stipulated return at a fixed rate of interest) is not recorded in these data, even though sold to foreign purchasers.

2c. Some Export-Import Bank loans have been extended to cooperative financing facilities—banks which in turn lend to their customers for purchases from the United States. Loans extended by Export-Import Bank to foreign banks are geographically classified in this *Report* against the country of the borrowing foreign bank (including foreign branches of U.S. banks) and are not recorded against the importing country; such loans directly to U.S. parent banks or U.S. branches of foreign banks have been excluded from these data.

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[3] H. Doc. No. 154, 87th Cong., 1st sess.

[4] Public Law 92-268, the Par Value Modification Act (as amended by Public Law 93-110), also authorized additional payments "to maintain the value in terms of gold of the U.S. dollar holdings" to the extent provided in the Articles of Agreement of the IBRD, IDA, ADB, and IDB.

[5] H. Doc. No. 69, 88th Cong., 1st sess.

[6] H. Doc. No. 69, 88th Cong., 1st sess.

2d. Although the repayment may be guaranteed by the American parent, loans of the Export-Import Bank through American enterprises to their subsidiaries abroad for operations abroad are included as foreign loans in this *Report*, and geographically classified against the country of the operating enterprise.

2e. Loans and export credits of U.S. banks and suppliers that are guaranteed or insured by EIB are not included in these data unless EIB has paid on the guarantee or insurance *and* the asset has been incorporated into a debt reorganization, or an agreement for scheduled recovery (repayment) was otherwise negotiated. When such an agreement is negotiated the amount is included in disbursements in the data in this *Report*.

3. *Foreign Assistance Act and related programs* are those authorized by the Foreign Assistance Act of 1961 (Public Law 87-195), in particular under parts I and II, as amended. The programs are the successors to the mutual security programs described on pages 40-41, 41-43, and 46-47 of the *Report* for January-June 1960.[2]

3a. Public Law 87-195 repealed the (corporate) Development Loan Fund. Loans of this Fund are included under *Foreign Assistance Act and related programs* in *country program loans*. The Agency for International Development (AID) is the successor to the International Cooperation Administration and the (corporate) Development Loan Fund in operating the programs described on pages 41-50 of the *Report* for January-June 1960.[2].

Loans and grants for Latin American development under Public Law 86-735 are included in *Foreign Assistance Act and related programs*. These entries also include the operations of the Inter-American Foundation (a U.S. Government agency) and of the *Social Progress Trust Fund*, administered by the Inter-American Development Bank on behalf of the United States, the *loan* transactions of which are separately shown.

Disaster relief and rehabilitation assistance (loans and grants) such as that provided for Chile, Guatemala, Italy, Lebanon, Romania, and Turkey, and for Caribbean hurricane relief and Cambodian disaster relief, under Public Laws 94-161, 94-276, 94-329, 95-21, 95-88, 95-424, 96-109, 96-110, 96-525, and 97-208 is also included in these entries, as is the balance-of-payments loan to Portugal authorized by Public Law 95-92.

3b. The U.S. contribution to the capital of the European Payments Union (EPU), to which this Government did not belong, was recorded as a grant in 1950-51 under the European recovery program (one of the predecessor programs to the Foreign Assistance Act). The residual assets of the EPU continued to be available to the European Fund when the European Monetary Agreement entered into force in 1958. Upon liquidation of the European Fund in December 1972, the U.S. Government received that part of the Fund which had originated in the U.S. contribution to the founding of the EPU and the income earned on this capital during the lifetime of the Fund. Of the $232 million recovered by the U.S. Government, $114 million was in the form of assignment to the U.S. Government in 1972 of a credit that had been extended to Turkey by the European Fund; $118 million was paid the U.S. Government in U.S. dollars early in 1973. The 1972 recovery is recorded in the data in this section as a reverse grant under the *Foreign Assistance Act and related programs*, offset by a credit extended to Turkey under *Other credits* described in paragraph 16.

3c. The waiver (authorized in Public Law 91-619) of payments due in 1971 and 1972 on loans made from funds originally available under the Agricultural Trade Development and Assistance Act for benefit of the Weizman Institute of Science and the Bar Ilan University and the waiver and forgiveness (under section 111 of Public Law 94-330) of all amounts then due (June 30, 1976) on loans made for the benefit of that institute and university and the Hebrew University, Tel Aviv University, and other Israel entries are recorded as grants under *Foreign Assistance Act and related programs*. These grants are offset by the collection of principal or interest, as applicable, against *currency loans to foreign governments* under the Agricultural Trade Development and Assistance Act (described in paragraph 5b).

3d. Loans of the Overseas Private Investment Corporation (OPIC), created under title IV of Public Law 87-195, as amended, together with foreign credits extended in disposition of assets acquired by OPIC under its *investment incentive* programs, are also set forth. In the same entries are included assets sold or guaranteed by OPIC that have been purchased by the Federal Financing Bank, described below in paragraph 18.

Loans and other investments by the U.S. private institutions that have been guaranteed or insured by OPIC are not included in these data unless OPIC has paid on the guarantee *and* the asset has been incorporated into a debt reorganization, or unless an agreement for scheduled recovery (repayment) was otherwise negotiated. When such an agreement is negotiated the amount is included in disbursements under the *investment incentive* programs.

3e. Loans and other investments by U.S. private institutions that have been guaranteed or insured by AID (under the *housing guaranty program*) are not included in these data unless AID has paid on the guarantee *and* the asset has been incorporated into a debt reorganization, or unless an agreement for scheduled recovery (repayment) was otherwise negotiated. When such an agreement is negotiated the amount has been included in disbursements under *country program loans* in this *Report*.

4. *Military aid* under the *Foreign Assistance Act and related programs* includes the transactions under the predecessor mutual security programs described on pages 40-41 of the *Report* for January-June 1960.[2]

4a. *Military supplies and services* includes deliveries under the general authority of Public Law 87-195, as amended (particularly section 503 and except for subsection 503(a)(3)), and military training and education provided to military and related civilian personnel of foreign countries under section 541 of the Act. Excess defense articles provided in lieu of new items (under section 502A) are included in this entry, valued at original acquisition cost. Transfers of defense articles and services from the stocks and resources of the Defense Department, under the special authority of the President under subsection 506(a), are also included.

4b. *Multilateral construction program contributions* originally authorized under section 104 of Public Law 83-665, as amended, continued under the authority of section 503 (clause (b)) of Public Law 87-195, as enacted in 1961, and are currently authorized under section 2(a) of Public Law 97-214. Recent appropriations in support of the authorization were made directly to the Defense Department.

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[2] H. Doc. No. 154, 87th Cong., 1st sess.

[2] H. Doc. No. 154, 87th Cong., 1st sess.

4c. *Military assistance, service funded* includes Defense Department estimates of the dollar value of assistance provided under congressional authorization in Public Law 89-367 for "support of Vietnamese and other free world forces in Vietnam. . . on such terms and conditions as the Secretary of Defense may determine." Pursuant to this authorization, funding for such transfers was established under direct Defense Department appropriations instead of from the military assistance programs under the Foreign Assistance Act. *Military assistance, service funded* also includes estimates of the acquisition cost of supplies and equipment which were excess to the needs of the U.S. Armed Forces and transferred to those countries receiving military assistance (described in the preceding sentence) funded from Defense Department appropriations.

Estimates of the value of transfers funded by Defense Department appropriations are based upon the reports compiled by the Defense Department pursuant to Public Law 89-367 (subsection 401(b)), and on supplemental substitute information provided by the Defense Department. Fiscal year estimates of the value of excess supplies and equipment, provided by the Defense Department, have been smoothed into quarterly series and summed into calendar year totals by the Bureau of Economic Analysis.

The Defense Department has indicated that because of combat conditions in Southeast Asia, the reporting system for the support furnished to foreign forces from Defense Department appropriations provided only for recording of data recognizing formal accounting obligation of the appropriation, when available, or the recording of estimates where precise obligation data could not be maintained. The Defense Department in 1974 provided supplemental information requiring appreciable revision of these estimates. It stated that it would endeavor to provide supporting detail for some of the resulting estimates that have been furnished for use in these statistics. Should these data be further analyzed and additional details become available, further revisions may be made in these presentations. Indications are that these estimated amounts of transfers for the support of foreign forces include services and construction costs as well as supplies and equipment.

4d. *Grants financing military purchases* includes (1) disbursements from appropriations to release Israel from its contractual liability to pay for defense articles purchased through military sales contracts or to repay credits extended for such purchases from U.S. military departments or from commercial suppliers and (2) disbursements from appropriations to finance equipment purchased for the Egyptian surveillance station under subsection 903(c) of the Foreign Assistance Act of 1961, as amended by Public Law 94-329.

Transactions under the Emergency Security Assistance Act of 1973 (Public Law 93-199, section 4) are included in these data: There were extraordinary deliveries of materiel to Israel, associated with the Middle East war that began October 1973. This equipment was ordered by Israel from the U.S. military services under the Arms Export Control Act (Public Law 90-629), utilizing the provisions for short-term credit for payment within 120 days of delivery. Under Public Law 93-199, the President determined in 1974 that $1½ billion of the funds authorized would be used to release Israel from its contractual liabilities to pay for the defense articles and services purchased under the Arms Export Control Act. These transactions are recorded as *grants financing military purchases* when expenditures are made against the appropriation (Public Law 93-240). Continuing releases from contractual liability authorized under subsequent legislation through Public Law 97-113 (subsection 105(c)(2)) are also included.

Public Law 97-113 (subsections 105(c)(6) and 105(c)(7)) authorized similar contractual releases in appropriations to finance sales to Egypt and Sudan, respectively.

Moreover, Public Law 96-533 (subsection 112(a)(3)) amended the Foreign Assistance Act (subsection 503(a)(3) to extend the procedures for *grants financing military purchases* by stipulating that military assistance under the Foreign Assistance Act would primarily be provided by financing "solely to meet obligations of the recipient for payment for sales under . . . [the Arms Export Control] . . . Act." Disbursements of appropriations for these provisions are included in *grants financing military purchases.*

Repayable long-term credits extended under Public Law 93-199 and the subsequent legislation are *not* included in this entry.

4e. Public Law 96-35 authorized assistance to Israel in the *relocation of facilities* replacing Israeli air bases on the Sinai peninsula in implementation of the 1979 Egyptian-Israeli peace treaty.

4f. Section 3 of Public Law 91-652 authorized the President to transfer to the Republic of Korea defense articles located in Korea and belonging to the Armed Forces of the United States on July 1, 1970. The estimated original acquisition cost of such equipment reported by the Defense Department is included in *Korean military aid.*

Section 23 of Public Law 95-384 authorized additional transfers of U.S. Government-owned articles and of services to Korea, through 1982, in conjunction with the withdrawal of certain U.S. Armed Forces from that country. These transfers are also included in *Korean military aid.*

Section 24 of Public Law 96-92 provided a grant to the Royal Thai Government by release of its contractual obligation to pay amounts due for ammunition it had "purchased." This transaction is *not* recorded as *grants financing military purchases* for the "purchase" orders were canceled and no appropriation outlay was disbursed to finance the sale; the amount of this release is included in *Thai military aid.*

Section 23 of Public Law 96-92 authorized transfers of war reserve materiel and other property to Taiwan. The amount of these transfers is included in *Taiwanese military aid.*

4g. *Credits financing military purchases* under Public Law 87-195 and under the earlier mutual security programs described on page 47 of the *Report* for January-June 1960[2] are included along with those under Public Law 90-629. This entry also includes long-term credits extended to Israel under section 501 of Public Law 91-441 and under section 3 of the Emergency Security Assistance Act (Public Law 93-199). Included in this entry are credits disbursed by the Federal Financing Bank (described below in paragraph 18), when such assets have been guaranteed by the Defense Department under provisions of Public Law 90-629, the Arms Export Control Act.

5. Under the *Agricultural Trade Development and Assistance Act* (Public Law 83-480, as amended) there have been several programs for *grants, credits, and other assistance.*

5a. Public Law 89–808 amended title II of Public Law 83-480 and consolidated into this one title the authorizations to extend grants by transfers of agricultural commodities *for famine, other urgent, and extraordinary relief, for economic development, and through private welfare agencies.* This authority continues the programs described on page 43 of the *Report* for January-June 1960.[2]

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[2] H. Doc. No. 154, 87th Cong., 1st sess.

Section 110 of Public Law 97-253 restored to section 416 of the Agricultural Act of 1949 (Public Law 81-439) the authorization for donation of dairy products (acquired by the Commodity Credit Corporation through price support programs) through foreign governments and public and nonprofit private humanitarian organizations for assistance to needy persons outside the United States.

All transfers under these authorizations for calendar year 1966 and later are included in these data at values approximating a current export value rather than at the price paid by the Agriculture Department in support of domestic commodity prices. Donations through private welfare agencies from July 1, 1954, through December 31, 1965, are also included in values approximating a current value. Donations through private agencies transferred before fiscal year 1955, and transfers under famine and other urgent and extraordinary relief before calendar year 1966, are included in these data at Commodity Credit Corporation cost value. Beginning with data for calendar years 1982, the Agriculture Department has erroneously reported all dairy product donations at an internal bookkeeping "price" of 5 cents a pound, without regard to commodity mix, instead of at values approximating current export value, necessary for an adequate interpretation of international economic assistance. For the purposes of this *Report*, the Bureau of Economic Analysis has estimated the conceptually correct value of these transactions.

5b. Foreign currencies obtained from the sale of commodities (under Public Law 83-480, as amended) through 1971 were available for *currency loans to foreign governments* and *currency loans to private enterprises* without an additional congressional appropriation. Most *currency loans to foreign governments* are those under the subsection which authorizes loans to promote multilateral trade and economic development, through established banking facilities of the nation where the foreign currency was obtained, or in any other manner which the President may deem to be appropriate. Some loans are under the subsection which authorizes use of the foreign currencies to procure equipment, materials, facilities, and services for the common defense including internal security. Under this subsection which authorizes use of the foreign currencies for financing the purchase of goods and services for other friendly nations, the currencies have been used to provide loans to third countries. In practice, most of the loans have been made to foreign governments or government-controlled banking institutions, but some have been made, under the authority given to the President, to private entities. These loans are administered by AID and utilization represents the dollar equivalent of foreign currencies disbursed, as reported by AID.

Collections of principal and interest on these loans disbursed in foreign currencies may be in dollars or in foreign currencies. Foreign currency collections are reflected in *2d-stage operations* in *Tables A–1* and *A–2*. The entry for *2d-stage operations* also includes collections of *currency-use payments* (CUP) on the *long-term dollar credits* described in paragraph 5c, and the collection of foreign currency from Egypt in compensation for claims under the agreement of May 19, 1979. Collections also include the amounts of indebtedness from Israel for which waiver was provided in Public Laws 91-619 and 94-330; these amounts are offset by grants described in paragraph 3c.

5c. *Long-term dollar credits under the Agricultural Trade Development and Assistance Act* (providing long-term supply contracts repayable in dollars) includes those originally authorized by section 14 of Public Law 86-341 and by other, subsequent amendments to Public Law 83-480, in particular section 106, as amended by Public Law 89-808. Also included as dollar credits are those under subsection 103(b) under agreements which permit the U.S. Government at its option to elect, in lieu of dollar repayment, collections in readily convertible currencies of third countries; through 1984, no such option has been elected and collections have been in U.S. dollars.

In addition to intergovernmental credits, those credits under section 107, to private trade entities, are also included in this entry.

Subsection 103(b) provides for agreements which permit the U.S. Government to obtain accelerated *currency-use payments* (CUP) in the borrower's currency upon delivery of the agricultural commodity. These payments are considered to be advance payments of the contractual installments of principal and interest. Accordingly, the exercise of a U.S. Government option to collect a currency-use payment results in the decrease of the principal amount outstanding on the credit, until the currency-use payment is applied as meeting an interest installment otherwise due according to the credit repayment schedule. At such time, interest is recorded as an imputed collection, and an equivalent addition to principal outstanding (i.e., a disbursement) is recorded.

Subsection 106(b)(2), as added by Public Law 94-161, provided for agreements which permitted use of currency proceeds held by the borrowing government to carry out specified programs of development, with such uses to be considered an advance payment of contractual installments of principal and interest owed to the U.S. Government under the agreement. This "loan forgiveness," or *currency-use offset* (CUO) provision, was extended when Public Law 95-88 added revised sections 301-307 to title III of the Agricultural Trade Development and Assistance Act. This revised authority provides for expanded "food for development" (FFD) programs.[6] Subsection 305(c), as amended by subsection 204(b) of Public Law 96-53, further permits the direct use, in the development projects, of agricultural commodities made available under the FFD program, with such use to be applied against the credit repayment obligations of the country under the Act. As these *commodity-* and *currency-use offsets* occur, they are recorded as imputed advance payments of the contractual installments of principal and interest on the credit in a manner similar to the currency-use payments (CUP) described in the preceding paragraph.

Although the FFD credits are included in data for *long-term dollar credits*, the part of the outstanding principal indebtedness that remains anticipated to be repaid by a currency-use offset—after application of advance payments to the FFD credits or, alternatively, to other financing agreements, as permitted in subsection 305(b)—is reported in *Table A–8B* as indebtedness repayable in other than U.S. dollars at the option of the debtor.

5d. Each application of an offset that is recorded as a payment of an installment owed to the U.S. Government is simultaneously recorded in a grant entry for *forgiveness of repayment obligations under food for development programs.* Under the provisions of subsection 305(a) of the Agricultural Trade Development and Assistance Act, as amended by section 206 of Public Law 96-53, "full forgiveness" occurs when the recipient country uses for development the full equivalent of the credit furnished for the program; the accrued interest and the remaining principal outstanding on title I credits that had been furnished under subsection 304(a) are then recorded as imputed collections on the credit and, simultaneously, in grants as forgiveness.

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[6] Furthermore, in the case of a country on the United Nations Conference on Trade and Development list of relatively least developed countries, subsection 305(b), as amended by section 203 of Public Law 95-424, permits the application of the advance payment to any annual repayment obligations of that country under other financing agreements under the Agricultural Trade Development and Assistance Act. Through 1984, only Bangladesh exercised this option.

6. *International refugee assistance* includes assistance provided through international organizations, and through grants to voluntary agencies for work abroad, under the Migration and Refugee Assistance Act of 1962 (Public Law 87-510), as amended, and under the Indochina Migration and Refugee Assistance Act of 1975 (Public Law 94-23), as amended. Support of the International Committee of the Red Cross, a Swiss voluntary agency, authorized under Public Law 89-230, as amended, and assistance to Israel in the resettlement of refugees from the U.S.S.R., first authorized under Public Law 92-352, are also included.

7. Additional compensation for the unpaid balances of awards for war damage claims under title I by the Philippine Rehabilitation Act of 1946 (Public Act 79-370) was authorized in Public Law 87-616 and is included in entries for *Philippine rehabilitation program.*

8. *Peace Corps program* includes the services rendered under Public Law 87-293, as amended, by Americans helping foreign countries meet their needs for trained manpower. This assistance is measured in terms of the expenditure of funds appropriated for expenses, allowances, services, and equipment of the Peace Corps volunteers and includes training and administrative costs of the program.

9. An agreement with Japan for settlement of postwar economic assistance was signed January 9, 1962, and entered into force September 11, 1962. An agreement with Japan concerning reversion of the Ryukyu Islands was signed June 17, 1971, and entered into force May 15, 1972.

On October 18, 1972, an agreement regarding settlement of lend-lease, reciprocal aid, and claims was signed with the Soviet Union.

As these agreements reflect conversions—into repayable principal credits—of amounts previously reported as grants, no utilization of credits is reported in the accompanying tables, but the principal and interest collections, where applicable, are included in the respective data for *lend-lease, surplus property,* and *settlements for grants and war accounts,* in the manner similar to other settlements described on page 48 of the *Report* for January-June 1960.[2]

10. Returns under the *civilian supply program* include proceeds from the sale of stock of the Bank of the Ryukyus in 1972. This investment in the Bank was an asset of the general fund of the U.S. Civil Administration of the Ryukyu Islands, which had been funded from the civilian supply (government and relief in occupied areas) program. Also included, when ultimately transferred to U.S. Government in 1976, are the proceeds of the liquidation of another asset of that general fund—its investment in a petroleum distribution fund.

11. *Other grants* includes the reported cost of technological and construction supervision in the design, construction, and equipment of water desalinization plants on foreign orders placed through the former Office of Saline Water in the Interior Department.

Other grants also includes the contributions made to binational research and development foundations and funds in Israel from funds appropriated in Public Laws 95-26 and 95-481.

12. *Other reverse grants and returns* includes the contribution from Japan which—under the agreement of April 18, 1969, and Public Law 92-39—was combined with an equivalent amount of U.S. Government funds and disbursed for the welfare of the people of the Trust Territory of the Pacific Islands.

13. *Surplus property credits* includes, beginning in 1973, credits arising from sale of Government-owned land and structures, excess for Foreign Service needs, on the basis of deferred collections.

14. *Other credits* includes credits by the Atomic Energy Commission (now the Energy Department) under the *Atomic Energy Act,* Public Law 83-703, as amended, which authorizes the sale of material to any country with which an agreement for cooperation has been signed, and under the EURATOM Cooperation Act of 1958 (Public Law 84-846, as amended), which authorized the sale on (first lien) credit terms of material to the European Atomic Energy Community.

15. *Other credits* includes the credits extended under the authority of the *Commodity Credit Corporation Charter Act* (Public Law 80-806, as amended) and subsection 4(a) of Public Law 89-808, as amended, through the Corporation's so-called "short-term export credit sales program" (GSM-4), whereby beginning April 27, 1967, it purchased foreign receivables from U.S. exporters. This program provided financing of an export for a maximum period of up to 36 months. Program GSM-4 was succeeded by program GSM-5, effective March 7, 1977.

Subsection 4(b) of Public Law 89-808, as amended in section 101 of Public Law 95-501, authorized intermediate export financing on credit terms in excess of 3 years, but not more than 10 years, which the CCC has incorporated into programs GSM-201 and GSM-301.

No differentiation between programs GSM-4, GSM-5, GSM-201, and GSM-301 is made in this section of this *Report.* Data on receivables with original maturities in excess of 12 months from date of delivery are incorporated into the tables in this *Report;* data on the receivables purchased by CCC under program GSM-5 but originally representing financing periods of 12 months or less, are *not* included in these data.

Transactions under the earlier CCC export credit sales programs were excluded from the tables in this section since they did not represent obligations of a foreign debtor to the U.S. Government. Under settlement arrangements with the Arab Republic of Egypt consolidating past due debts, a claim arising under CCC export credit sales program GSM-3 for about $85 million was recognized by that Government and is included in the data in this *Report.*

Although new financing under program GSM-5 was originally phased out after 1980, new GSM-5 credits were authorized for Bangladesh and Turkey in 1984. Meanwhile, a CCC "blended credit" program was instituted late in 1982. Under this program, export credit financing under GSM-5 is blended with private financing guaranteed under program GSM-102 to provide for agricultural products purchased from the United States. The part of these blended credits that is under the GSM-5 program is included in these data.

In 1983, the CCC sold commodities to Mexico and Egypt on terms extending payment over 3 years. These credits are included in these data. The credit to Egypt is to be repaid in Egyptian currency, without maintenance of U.S. dollar value.

Loans and export credits of U.S. banks and suppliers that are guaranteed under the CCC "Noncommercial Risk Assurance Program" (GSM-101) and the "Export Credit Guarantee Program" (GSM-102) are not included in these data unless CCC has paid on the guarantee or insurance *and* the asset has been incorporated into a debt reorganization, or an agreement for scheduled recovery (repayment) was otherwise negotiated. When such an agreement is negotiated the amount is included in disbursements in the data of this *Report.*

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[2] H. Doc. No. 154, 87th Cong., 1st sess.

16. *Other credits (miscellaneous)* includes the credits under Public Law 86-383, title II, which appropriated funds for loans by the Secretary of the Army to the Ryukyu Electric Power Corporation for construction, installation, and equipment of electric power systems; loans extended by the U.S. Information Agency for binational centers, under provisions of Public Laws 80-402 and 87-256; and credits established in postal debt settlements for claims for reimbursement for services rendered by the U.S. Postal Service.

Other credits (miscellaneous) also includes the extension of credit through acceptance of the asset (in the form of a $114 million credit repayable by Turkey) assigned to the U.S. Government as part of its recovery of the residual capital of the European Payments Union, as described in paragraph 3b, above.

Other credits (miscellaneous) also includes the temporary financial assistance to Mexico provided in August 1982 by advance of $1 billion from the Department of Energy against import deliveries of crude oil for the Strategic Petroleum Reserve. Import deliveries repaying this credit were completed in September 1983.

17. *Other assistance (through net accumulation of foreign-currency claims)* by *farm product sales* includes the sales initiated in April 1981 under the *Commodity Credit Corporation Charter Act* of U.S. Government stocks of dairy products to Poland for payment in zlotys. Section 709 of Public Law 97-113 subsequently authorized use of these zlotys for activities of common benefit to the people of the United States and the people of Poland. A program of sales of dairy products for Egyptian currency was instituted in 1984.

18. Public Law 92-224 created the Federal Financing Bank (FFB), an instrumentality of the U.S. Government. FFB purchases and sells obligations which are issued, sold, or guaranteed by Federal agencies. In this section of this *Report,* such transactions are classified with those of the program providing the guarantees: FFB has committed and disbursed upon loans extended under guarantee from the Overseas Private Investment Corporation and from the Defense Department under Public Law 90-629, as described in paragraphs 3d and 4g, above.

Definitions

Although there exists a wide variety of transactions and differences in the statistical and accounting procedures of the various Government agencies, and it is not possible to prepare simple definitions applicable to all cases, it is believed that the following classifications used in this section are generally consistent.

1. *Utilized* assistance is measured generally in terms of goods delivered or shipped, services rendered, or cash disbursed by the U.S. Government to or for the account of a foreign government or other foreign entity. Utilized assistance thus represents the goods transferred, the services rendered, or the cash disbursed depending upon the mechanics of furnishing the aid. However, many services are rendered which are not included in foreign assistance.

Reverse grants and returns on grants and collections on credits are measured in similar fashion.

Utilized grants represent the tangible foreign assistance that has moved either as an outright or conditional gift, or subject to future settlement. Utilized credit represent the tangible foreign assistance that has moved subject to repayment of the principal amount and, usually, of interest.

Utilizations under several aid programs shown in *Table A-2* include credits extended to refinance principal collections and to capitalize interest. Many agreements for the reorganization of the debt of developing countries are recorded as utilizations of the new (reorganization) credits offset by principal collections and interest received.[7]

A bilateral debt reorganization agreement may also incorporate into future scheduled principal repayments to the Government a reimbursement for its acquisition of subrogated assets under insurance or guarantee programs; such amount to be recovered is incorporated into utilizations.

For a more itemized explanation of "utilized," by the aid programs shown in *Table A-2,* refer to the sections on *Transactions covered* (pp. 39-50) in the explanatory note in the *Report* for January-June 1960,[8] as amended by the notes in the preceding sections of this Explanatory Note.

2. *Returned* represents returns of grants (such as lend-lease merchant ships), cash settlements for grants, and reverse grants (such as lend-lease and counterpart funds furnished the U.S. Government under the Foreign Assistance Act program and earlier economic cooperation programs).

3. *Repaid* represents payments received and applied to the reduction of outstanding principal indebtedness, excluding principal repayments on debts arising out of World War I. Repayments on guaranteed loans, where Government money was not disbursed, are excluded. Amounts charged off, or changes in outstanding indebtedness due to exchange rate variations, are excluded (see *Table A-10*).

Repayments include amounts applied to principal by utilization of refinancing credits.[7]

Disposal by sale of promissory notes (or other evidences of indebtedness held by Government agencies), to foreigners, either in the country of the borrower or a third country, are included in principal collections. Such "principal collection" is recorded against the country of the borrower in this *Report.*

4. *Interest and commissions* represents payments received on *credit transactions* (which see) and applied to income, and includes, in addition to interest on outstanding indebtedness, any regular collections for service charges, commitment fees on undisbursed balances, and the commissions which a Government agency, such as the Export-Import Bank, collects when a private institution participates in a loan of the agency. Interest payments on debts arising out of World War I are *not* included nor is interest received on deposits in foreign banks (including funds acquired under agricultural sales programs). Interest collected upon due and uncollected interest (late payments) on loans and credits (i.e., interest-upon-interest) is included.

Interest includes *capitalized interest* which is reported as having been realized through recording of an additional credit utilization that, in turn, increases principal indebtedness outstanding.[7] When an interest collection is deferred for more than 90 days by agreement, the transaction is recorded as capitalized interest.[6]

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[8] H. Doc. No. 154, 87th Cong., 1st sess.

[7] The interrelationships of *debt reorganization* transactions are discussed in paragraphs 1, 3, 4, and 11.

5. *Outstanding indebtedness* represents the net cumulative difference between (a) credit utilizations and (b) credit repayments, principal charged off, adjustments to outstanding principal for discount allowed for extraordinary prepayments, and the net loss due to exchange rate variations (see footnote 4 to *Table A–10*). This indebtedness covers principal only and does not include accrued interest (see paragraph 12, below). The data necessarily include the results of transactions taking place before the period covered. Indebtedness arising out of World War I, however, is excluded. Indebtedness to others, even though at Government guarantee and risk, is excluded.

6. *Authorized* represents the gross amount of grants or credits committed by Government agencies or authorized by acts of Congress. In the case of grants, the word is generally used to mean congressional authorizations, supported by appropriations, where necessary. In the case of credits, the word is generally used to mean the gross amount of loans and other credits approved or committed by Government agencies (including increases in prior commitments), even though in some instances such arrangements may not have been formalized by signed credit agreements. The words "authorized" and "committed" are often used interchangeably in this section.

The National Advisory Council has established the policy that for bilateral debt-reorganization agreements signed after December 31, 1981, the commitment shall be recorded upon the *entry into force* date of the bilateral agreement instead of upon the signature date.

7. *Expired and canceled* represents in the case of loans and other credits all terminations of credit authority occurring during the period covered regardless of whether the loan or other credit was authorized prior to or during the period.

8. *Net authorizations* means the difference between gross authorizations and expired or canceled authorizations during the period, further decreased by the reduction in Export-Import Bank authorizations as a result of private participation either with or without recourse.

9. *Unutilized credits (Table A–9)* represents the difference between accumulative net authorizations by the agency and cumulative utilizations.

10. *Unspecified* for purposes of this *Report* represents transactions which cannot be distributed by country either for security reasons or because the data are not available. In most instances such items have been distributed by area.

11. *Debt reorganization* encompasses *refinancing* and *rescheduling* of principal and interest otherwise due to and uncollected by the U.S. Government. Reorganization of debt—particularly debt of developing countries—is generally recorded as utilizations of the new (reorganization) credits offset by principal collections and interest capitalized (see paragraph 4, above). The double-entry accounting thus reflects no net assistance for reorganization of outstanding principal indebtedness, but does reflect net assistance for interest that is "collected" by a reorganization and not actually paid to the U.S. Government.

Many bilateral debt reorganization agreements also incorporate, into the future scheduled principal repayments to the Government, reimbursement for its acquisition of subrogated assets under insurance or guarantee programs. Such amount to be covered is incorporated into utilizations and, since it is not recorded in the (double-entry) accounting against principal and interest just described, reflects entirely new assistance.

Signing of a bilateral (government-to-government) agreement for the reorganization of credits extended by more than one agency is recorded as simultaneously committing reorganization of each and every applicable credit, without reference to any individual, pending agency "implementing agreement." Barring any explicit agreement to the contrary, if any arrearage is then existent and subject to the reorganization, its repayment and the concurrent utilization of the reorganization credit are recorded upon signature of the reorganization credit for bilateral agreements signed through December 1981.[7] (The National Advisory Council has established the policy that for bilateral agreements signed after December 31, 1981, the simultaneous recording of repayment and concurrent utilization, just described, shall be upon the *entry into force* date of the bilateral agreement instead of upon the signature date.)

A bilateral agreement is often preceded by a multinational agreement (memorandum of understanding) to reorganize international indebtedness; such multilateral agreements are *not* incorporated into data in this section.

12. *Accrued interest* that has not been collected is not included in *interest and commissions*. Accrued interest for which payment was due before October 1, 1984, but which was not collected or formally deferred within 90 days is recorded as *overdue* (in *Table A–10*); it is *not* included in outstanding indebtedness (see paragraph 5, above.)

In recording the amounts of overdue interest, accruals after an overdue installment date but before the next installment date are not included. Overdue interest may be understated, since some agencies discontinue recording any further accrual of interest after becoming aware that the borrower is overdue on payment or in arrears. Furthermore, although interest frequently accrues contractually on overdue interest, the amounts reported as overdue in *Table A–10* do not generally incorporate such interest-upon-interest accruals.

Presentation of Data in Tables

The presentation of the data for foreign assistance by the U.S. Government in the 16 tables of this section is comparable with that in previous *Reports*. It incorporates data for the postwar period July 1, 1945, through December 31, 1984, published periodically by the Bureau of Economic, Department of Commerce in the monthly magazine, *Survey of Current Business*, and in the annual *Statistical Abstract of the United States*.

As described under *Geographical presentation*, above, changes in military assistance programs and releases of security classification over the past decade have enabled the Bureau of Economic Analysis to develop calendar year data for the periods shown in *Tables A–2* through *A–6*. Accordingly, full country information is presented in *Table A-3*. *Table A-4A* provides country information on net grants under the military assistance programs set out in *Table A-2*, and *Table A-4B* provides country information on net grants under the other programs. At the same time, the presentation in *Table A-1* facilitates the analysis of gross grants under the military programs.

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[6] Deferrals of interest due to the United States pursuant to the agreement of March 6, 1957, between the United Kingdom and the United States (Treaties and Other International Acts Series 3962) are the only significant exception to the comprehensive principle. Six interest installments from the United Kingdom have been deferred (in 1956-57, 1964-65, 1968, and 1976). (Two more opportunities to invoke the "bisque clause" in the 1957 agreement remain open to the United Kingdom.) The total amount of $424,323,000 is *not* included in interest collected, nor in amounts overdue, nor in indebtedness outstanding. Interest is collected annually on the installments that were deferred and such interest-upon-interest is included in the amounts of interest collections. The deferred installments in this one agreement will be recorded as interest collected when repaid in 2001-06.

[7] The interrelationships of *debt reorganization* transactions are discussed in paragraphs 1, 3, 4, and 11.

Tables A-1 through *A-5*, and *A-6*, emphasize the net amounts of grants, credits, and other assistance. Gross grants, gross credits, and deliveries under farm products sales are shown separately in *Tables A-1, A-2*, and *A-5A* for the convenience of those who desire to measure the utilization of the legislative authorizations for aid.

Over short periods of time, such as 1 year, the total of gross grants, gross credits, and *net* other assistance is an effective statistical tool, but for longer periods the addition of the three categories introduces further conceptual difficulties, particularly where revolving authorizations (such as for Export-Import Bank loans and for Commodity Credit Corporation export credits) are involved.

Repayments of principal are shown in *Tables A-1, A-2, A-5B*, and *A-10*. Interest collections are also shown, in *Tables A-10* and *A-11*.

Reverse grants are shown separately in *Tables A-1* and *A-2*.

Table A-1 summarizes, by type and geographical area, data for the entire postwar period. *Table A-2* is a summary of the data for the entire postwar period, by program and period, and *Table A-3*, a summary by geographical area and period. *Tables A-4A* through *A-6* are summaries of the same data for the major types of net assistance, by geographical area and period. Two supplemental tables separate the data for net credits (*Table A-5*) into the credits utilized (*Table A-5A*) and principal repayments (*Table A-5B*).

Table A-7 is a summary by major program of the activity on foreign credits from July 1, 1940, through December 31, 1984. It facilitates the understanding and reconciliation of the different statistics on credit activity, and is indexed to the other tables. *Table A-8* summarizes the outstanding indebtedness of foreign governments and other foreign entities as of December 31, 1984, by area, country, and major program. *Table A-8A* summarizes the outstanding indebtedness repayable in U.S. dollars, at the option of the U.S. Government, and *Table A-8B* summarizes the outstanding indebtedness repayable in other than U.S. dollars, at the option of the debtor. (The part of the outstanding principal indebtedness that remains anticipated to be repaid by a *currency-use offset* is included in *Table A-8B* as indebtedness repayable in other than U.S. dollars at the option of the debtor.) *Table A-9* summarizes the unutilized balances of U.S. Government credit commitments, as of December 31, 1984, by area, country, and major programs. *Table A-10* is a summary by major program and by area and country of the activity on foreign credits from July 1, 1945, through December 31, 1984, and also presents data on principal and interest which were reported by the collecting agencies to have been due and not paid 90 days (3 calendar months) or more as of December 31, 1984. *Table B-11* is a summary by major program and by area and country of the interest and commissions collected from July 1, 1945, through December 31, 1984, by period.

The figures in each of the tables are *rounded* to whole millions of dollars, hence components will not necessarily add to totals. Any country whose total or largest dollar amount cannot be rounded to $1 million or more has been combined with other countries in the same geographical area whose dollar amounts cannot be rounded to $1 million or more and the total has been rounded and shown as *Other*. In determining whether a country should be shown individually or in combination with other countries in an area, each table has been treated separately.

Whenever the country detail to be shown for an area is one item only (one country or, in accordance with the above, exclusively *Other*) only the area total appears, and this area total is shown even though the figure is less than $1 million. For each country shown, the detail figures for that country appearing in every column are given, even though in some instances the entry may be less than $1 million.

Negative entries in the tables are explained as follows: A negative net grant indicates an excess of grant returns over new grants utilized. A negative net credit indicates an excess of principle repayments over new credits utilized. A negative for "other assistance" indicates an excess in the dollar equivalent of foreign currencies disbursed by the Government over the dollar equivalent of acquisitions through new sales and through other included collections.

TABLE A-1.—*Summary of major U.S. Government foreign assistance, military and other, by area and country, postwar period, July 1, 1945, to Dec. 31, 1984*[1]

[In millions of dollars and equivalents]

Area and country		Net grants					Net credits			Other assistance (through net accumulation of foreign currency claims)				
			Gross (new) grants								Currency claims acquired		Less currencies used	
	Total (net)[2]	Total (net)	Total (gross)	Military grants: supplies, services, and financing of purchases	Other grants[3]	Less reverse grants and returns	Total	New credits[3]	Less principal collections	Total	Through farm product sales	From 2d-stage operations[4]	For grants and credits in recipient's currency	For other purposes
Total, all areas	263,256	181,778	184,263	79,060	105,203	2,485	66,578	131,192	64,614	1,760	15,100	5,230	13,465	5,104
Total, investment in international financial institutions	13,140	......	......	......	......	....	.....	.....	.....	.....	.....	....	.....	....
Total, Europe	61,921	51,517	53,449	27,331	26,118	1,932	9,835	32,397	22,562	569	3,799	549	1,873	1,907
Total, Western Europe	59,109	50,210	52,102	27,331	24,771	1,892	8,588	28,370	19,781	311	3,179	546	1,873	1,542
Austria	1,217	1,151	1,205	106	1,099	54	66	232	166	(*)	56	....	26	30
Belgium and Luxembourg	1,896	1,836	1,850	1,267	583	14	60	413	352	(*)	2	....	.....	2
Cyprus	160	157	157	......	157	....	4	30	26	(*)	2	1	1	2
Denmark	909	866	888	640	248	22	43	208	165	.....	4	....	2	2
Finland	65	4	4	(*)	4	(*)	54	279	225	7	48	13	23	30
France	8,371	8,580	8,835	4,468	4,367	255	-211	2,515	2,726	2	251	6	46	208
Germany	3,685	4,683	4,860	952	3,908	177	-996	524	1,520	-2	163	....	96	69
Greece	4,742	4,062	4,152	2,605	1,547	90	680	1,969	1,290	(*)	202	77	158	122
Iceland	49	34	36	(*)	36	2	14	69	56	1	16	7	12	11
Ireland	85	17	18	......	18	1	68	248	181	(*)	.....	....	.....	(*)
Italy	5,710	5,375	5,478	2,531	2,946	103	335	1,743	1,408	(*)	237	5	120	121
Malta	84	79	79	......	79	....	5	6	1	.....	.....	....	.....	....
Netherlands	2,046	2,119	2,178	1,282	896	60	-73	600	673	(*)	9	....	7	2
Norway	1,212	1,152	1,182	944	239	31	61	573	512	(*)	2	....	1	2
Portugal	1,414	926	933	656	278	7	488	1,510	1,023	(*)	7	20	3	23
San Marino	1	1	1	......	1	....	.....	.....	.....	.....	.....	....	.....	....
Spain	3,009	1,351	1,545	879	666	194	1,574	3,244	1,670	84	710	108	380	353
Sweden	108	87	87	......	87	....	21	87	65	(*)	.....	....	.....	(*)
Switzerland	9	......	......	......	......	....	9	101	92	(*)	.....	....	.....	(*)
Turkey	10,302	6,531	6,619	4,606	2,013	88	3,708	5,356	1,648	63	526	176	332	306
United Kingdom	6,210	4,489	5,025	1,224	3,800	535	1,721	6,284	4,563	(*)	216	....	96	120

Yugoslavia	2,862	1,777	1,804	722	1,082	27	930	1,968	1,037	154	729	136	570	141
European Atomic Energy Community	2	......	......	......	......	....	2	108	106	.....	.....	....	.....	....
European Coal and Steel Community	.....	......	......	......	......	....	.....	100	100	.....	.....	....	.....	....
European Payments Union	6	6	238	......	238	232	.....	.....	.....	.....	.....	....	.....	....
Other and unspecified Western Europe	4,953	4,927	4,927	4,448	480	....	26	203	177	.....	.....	....	.....	....
Total, other Europe	2,812	1,308	1,347	......	1,347	39	1,247	4,028	2,781	258	620	2	.....	364
Albania	20	20	20	......	20	....	.....	.....	.....	.....	.....	....	.....	....
Czechoslovakia	186	186	186	......	186	(*)	(*)	16	16	.....	.....	....	.....	....
East Germany	17	17	17	......	17	....	.....	.....	.....	.....	.....	....	.....	....
Hungary	21	17	17	......	17	....	4	44	40	.....	.....	....	.....	....
Poland	1,851	630	630	......	630	(*)	963	2,439	1,476	258	620	2	.....	364
Romania	112	11	11	......	11	....	101	517	416	.....	.....	....	.....	....
U.S.S.R.	605	426	465	......	465	39	178	1,012	833	.....	.....	....	.....	....
Total, Africa	27,758	13,030	13,129	1,634	11,495	99	14,551	18,394	3,843	176	1,179	564	839	728
Algeria	874	192	192	....	192	....	683	1,052	369	(*)	(*)	....	.....	(*)
Angola	83	32	32	......	32	....	51	99	48	.....	.....	....	.....	....
Benin	59	36	36	(*)	36	....	23	23	(*)	(*)	(*)	....	(*)	(*)
Botswana	173	146	146	5	141	....	27	28	1	.....	.....	....	.....	....
Burkina Faso	283	283	283	1	282	....	(*)	1	1	(*)	(*)	....	.....	(*)
Burundi	61	61	61	(*)	61	....	.....	.....	.....	(*)	(*)	....	.....	(*)
Cameroon	211	111	111	1	110	....	100	152	52	(*)	(*)	....	.....	(*)
Cape Verde	64	64	64	(*)	63	....	.....	.....	.....	.....	.....	....	.....	....
Central African Republic	26	19	19	(*)	19	....	7	10	3	.....	.....	....	.....	....
Chad	129	129	129	23	106	....	.....	.....	.....	.....	(*)	....	.....	(*)
Comoros	3	3	3	......	3	....	.....	.....	.....	.....	.....	....	.....	....
Congo	27	19	19	(*)	19	....	7	9	1	(*)	.....	(*)	.....	(*)
Djibouti	24	24	24	4	20	....	.....	.....	.....	.....	.....	....	.....	....
Egypt	12,688	4,003	4,003	690	3,313	(*)	8,551	9,359	809	135	809	374	557	491
Equatorial Guinea	5	5	5	(*)	5	....	.....	.....	.....	.....	.....	....	.....	....
Ethiopia	652	539	545	242	303	6	113	201	88	(*)	3	1	4	(*)
Gabon	20	14	14	(*)	13	....	6	33	27	.....	.....	....	.....	....
Gambia	47	47	47	......	47	....	.....	.....	.....	.....	(*)	....	.....	(*)
Ghana	401	208	208	2	205	(*)	188	346	157	5	37	19	24	27
Guinea	189	84	84	3	81	....	94	140	45	11	32	16	24	13
Guinea-Bissau	32	32	32	(*)	32	....	.....	.....	.....	.....	.....	....	.....	....
Ivory Coast	116	30	30	(*)	29	....	86	134	48	(*)	3	1	2	2
Kenya	571	348	348	38	311	....	223	315	92	(*)	(*)	3	.....	3
Lesotho	200	200	200	......	200	....	.....	.....	.....	.....	.....	....	.....	....
Liberia	636	442	442	37	405	(*)	194	370	176	(*)	.....	....	.....	(*)
Libya	224	224	224	18	206	....	(*)	7	7	(*)	.....	....	1	*-1

See footnotes at end of table.

TABLE A-1.—*Summary of major U.S. Government foreign assistance, military and other, by area and country, postwar period, July 1, 1945, to Dec. 31, 1984*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total (net)[2]	Net grants						Net credits			Other assistance (through net accumulation of foreign currency claims)				
			Gross (new) grants									Currency claims acquired		Less currencies used	
		Total (net)	Total (gross)	Military grants: supplies, services, and financing of purchases	Other grants[3]	Less reverse grants and returns		Total	New credits[2]	Less principal collections	Total	Through farm product sales	From 2d-stage operations[4]	For grants and credits in recipient's currency	For other purposes
Madagascar	81	48	48	(*)	48	(*)		33	37	4	(*)	(*)	1	......	1
Malawi	83	48	48	(*)	48	....		35	37	1	......	......	....	......	....
Mali	217	212	212	4	208	(*)		5	6	1	(*)	1	(*)	(*)	(*)
Mauritania	143	138	138	(*)	138	....		5	6	1	......	......	....	......	....
Mauritius	40	27	27	......	27	....		14	15	2	(*)	......	(*)	......	(*)
Morocco	1,694	724	724	117	607	....		971	1,573	602	−1	88	48	81	56
Mozambique	124	94	94	......	94	....		30	36	6	......	......	....	......	....
Namibia	2	2	2	......	2	....		......	......	......	......	......	....	......	....
Niger	198	188	188	4	184	....		10	13	3	......	......	....	......	....
Nigeria	487	278	278	2	277	(*)		209	264	56	(*)	......	....	(*)	(*)
Rwanda	88	87	87	(*)	87	(*)		1	2	1	(*)	(*)	....	......	(*)
Sao Tome and Principe	4	4	4	......	4	....		......	......	......	......	......	....	......	....
Senegal	374	340	340	7	334	(*)		34	58	24	(*)	3	1	2	2
Seychelles	11	11	11	......	11	....		......	......	......	......	(*)	....	......	(*)
Sierra Leone	133	93	93	(*)	93	....		39	60	20	(*)	(*)	(*)	(*)	(*)
Somalia	552	387	387	70	317	....		165	174	9	(*)	......	5	1	4
South Africa	−91	−91	1	......	1	93		(*)	154	154	(*)	(*)	....	......	(*)
Sudan	1,053	650	650	139	511	....		401	500	99	1	26	4	13	16
Swaziland	58	47	47	(*)	47	....		11	11	(*)	......	......	....	......	....
Tanzania	396	273	273	....	273	....		123	135	12	(*)	(*)	3	......	3
Togo	78	75	75	(*)	75	(*)		2	7	5	(*)	(*)	....	......	(*)
Tunisia	1,308	598	598	90	508	....		709	1,004	295	1	90	71	92	69
Uganda	80	70	70	(*)	70	....		10	15	5	......	......	....	......	....
Zaire	1,472	401	401	55	345	(*)		1,047	1,488	441	24	85	17	39	39
Zambia	315	53	53	....	53	....		262	340	79	......	......	....	(*)	(*)
Zimbabwe	217	186	186	(*)	186	....		31	32	1	......	......	....	......	....
East African Common Services Organization	1	......	......	......	......	....		1	3	2	......	......	....	......	....

Other and unspecified Africa	842	795	795	81	714	....	47	141	94	.....	.....	....	.....	....
Total, Western Hemisphere	20,288	9,177	9,239	1,920	7,319	62	10,845	23,895	13,050	267	898	138	496	275
Antigua and Barbuda	4	2	2	1	1	....	2	3	1	.....	.....	....	.....	....
Argentina	469	108	109	87	21	1	354	1,438	1,084	6	31	1	15	10
Bahamas	2	(*)	(*)	......	(*)	....	2	59	57	.....	.....	....	.....	....
Barbados	18	6	6	1	6	....	12	13	2	.....	.....	....	.....	....
Belize	21	16	16	1	16	....	5	5	(*)	.....	.....	....	.....	....
Bermuda	(*)	......	......	......	......	....	(*)	28	28	.....	.....	....	.....	....
Bolivia	978	601	602	57	545	1	375	571	197	2	68	21	57	29
Brazil	3,430	948	1,001	356	645	53	2,287	5,335	3,047	194	510	24	247	92
Cayman Islands	7	......	......	......	......	....	7	24	17	.....	.....	....	.....	....
Chile	1,007	482	482	139	343	(*)	499	2,236	1,737	26	85	32	49	42
Colombia	1,544	477	477	129	348	(*)	1,051	1,856	806	16	66	25	40	35
Costa Rica	675	306	306	16	291	(*)	368	466	98	(*)	(*)	1	.....	1
Cuba	57	21	21	16	5	(*)	36	40	3	.....	.....	....	.....	....
Dominica	3	3	3	2	2	....	.....	.....	.....	.....	.....	....	.....	....
Dominican Republic	940	443	443	42	401	(*)	498	730	233	(*)	(*)	4	.....	4
Ecuador	412	273	273	66	207	(*)	138	351	213	1	12	3	8	6
El Salvador	1,391	930	930	336	593	(*)	461	523	62	(*)	(*)	(*)	.....	(*)
Grenada	29	28	28	5	23	....	1	1	....	.....	.....	....	.....	....
Guatemala	545	381	381	31	350	(*)	164	251	87	(*)	9	....	9	(*)
Guyana	114	41	41	(*)	41	....	73	90	17	(*)	(*)	(*)	.....	(*)
Haiti	456	345	345	7	338	(*)	112	146	34	(*)	.....	....	.....	(*)
Honduras	730	420	420	145	275	(*)	309	383	74	(*)	(*)	(*)	.....	(*)
Jamaica	631	104	104	9	96	....	527	645	119	(*)	(*)	(*)	.....	(*)
Mexico	1,952	281	281	3	278	(*)	1,671	4,526	2,856	(*)	25	6	18	13
Netherlands Antilles	25	......	......	......	......	....	25	28	3	.....	.....	....	.....	....
Nicaragua	425	166	166	24	142	(*)	259	322	63	.....	(*)	....	.....	(*)
Panama	482	276	276	21	255	(*)	206	394	188	(*)	.....	....	.....	(*)
Paraguay	177	134	134	27	106	(*)	43	104	60	1	16	6	12	10
Peru	1,206	639	640	145	495	1	565	1,606	1,041	3	40	12	26	24
St. Christopher-Nevis	3	2	2	2	(*)	....	(*)	(*)	.....	.....	.....	....	.....	....
St. Lucia	2	2	2	2	(*)	....	.....	.....	.....	.....	.....	....	.....	....
St. Vincent and the Grenadines	1	(*)	(*)	(*)	(*)	....	1	1	(*)	.....	.....	....	.....	....
Suriname	5	5	5	(*)	5	....	(*)	7	7	.....	.....	....	.....	....
Trinidad and Tobago	228	35	35	......	35	....	194	274	80	.....	.....	....	.....	....
Uruguay	208	102	102	68	34	(*)	89	174	85	18	36	3	-16	6
Venezuela	272	85	88	20	67	2	187	830	644	(*)	.....	....	.....	(*)
Central American Bank for Economic Integration	167	(*)	(*)	......	(*)	....	167	197	30	.....	.....	....	.....	....
Central American Monetary Stabilization Fund	8	......	......	......	......	....	8	10	2	.....	.....	....	.....	....
Caribbean Development Bank	115	......	......	......	......	....	115	116	1	.....	.....	....	.....	....
Andean Development Corporation	21	......	......	......	......	....	21	27	6	.....	.....	....	.....	....

See footnotes at end of table.

TABLE A-1.—*Summary of major U.S. Government foreign assistance, military and other, by area and country, postwar period, July 1, 1945, to Dec. 31, 1984*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total (net)[2]	Net grants: Total (net)	Net grants: Gross (new) grants: Total (gross)	Net grants: Gross (new) grants: Military grants: supplies, services, and financing of purchases	Net grants: Gross (new) grants: Other grants[3]	Net grants: Less reverse grants and returns	Net credits: Total	Net credits: New credits[3]	Net credits: Less principal collections	Other assistance (through net accumulation of foreign currency claims): Total	Currency claims acquired: Through farm product sales	Currency claims acquired: From 2d-stage operations[4]	Less currencies used: For grants and credits in recipient's currency	Less currencies used: For other purposes
Other and unspecified Western Hemisphere	1,528	1,512	1,514	161	1,353	2	16	85	69	.....	.....	....	.....	....
Total, Asia	121,390	90,333	90,698	47,968	42,731	365	30,308	53,353	23,045	748	9,223	3,979	10,258	2,195
Afghanistan	519	395	396	6	390	(*)	120	183	63	4	6	4	1	6
Bangladesh	2,190	1,177	1,177	1	1,176	....	1,013	1,311	298	(*)	(*)	4	.....	4
Bhutan	6	6	6	......	6	....	.....	.....	.....	.....	.....	....	.....	....
Brunei	(*)	(*)	(*)	......	(*)	....	(*)	20	20	.....	.....	....	.....	....
Burma	226	197	198	89	109	1	25	61	36	4	48	26	55	15
Cambodia	2,212	2,000	2,003	1,277	726	3	210	289	79	3	18	79	88	7
China: Unspecified[6]	1,675	1,604	1,673	934	739	69	70	168	98	.....	.....	....	.....	....
China: Mainland[6]	43	2	2	....	2	....	41	41	.....	.....	.....	....	.....	....
Hong Kong	104	44	44	....	44	....	59	119	59	1	1	....	.....	1
India	10,072	6,082	6,113	119	5,994	32	3,539	7,839	4,300	451	4,146	2,533	5,523	705
Indonesia	3,763	943	949	264	685	6	2,595	3,834	1,239	224	292	82	60	90
Iran	1,443	1,356	1,371	896	475	15	87	1,905	1,818	–1	64	26	42	48
Iraq	105	80	81	50	31	(*)	25	63	38	.....	.....	....	.....	....
Israel	26,243	16,029	16,029	7,660	8,370	(*)	10,177	12,716	2,539	37	412	222	406	192
Japan and Ryukyu Islands	4,054	4,403	4,500	1,856	2,643	96	–349	3,477	3,826	(*)	193	....	116	78
Jordan	2,468	1,665	1,666	543	1,123	1	803	1,234	431	(*)	6	7	4	10
Korea	15,050	10,844	10,895	6,374	4,520	50	4,186	7,186	3,000	20	1,030	214	866	357
Kuwait	....	......	......	......	......	....	.....	50	50	.....	.....	....	.....	....
Laos	2,560	2,560	2,560	1,644	915	(*)	(*)	(*)	.....	(*)	(*)	....	(*)	....
Lebanon	383	252	252	20	233	(*)	130	304	174	(*)	.....	3	.....	3
Macau	5	5	5	......	5	....	.....	.....	.....	.....	.....	....	.....	....
Malaysia	167	76	76	6	70	(*)	91	330	239	(*)	(*)	....	.....	(*)
Nepal	346	341	341	3	339	(*)	3	4	2	2	(*)	3	26	*–24
Oman	84	6	6	(*)	5	....	78	112	34	.....	.....	....	.....	....
Pakistan	6,819	3,112	3,155	704	2,451	43	3,580	4,668	1,088	127	1,321	275	1,288	181

Philippines	3,476	2,631	2,640	870	1,770	9	836	1,821	985	10	143	32	110	56
Saudi Arabia	53	69	69	38	31	(*)	–16	280	296	.....	.....	....	.....	....
Singapore	241	3	3	(*)	3	....	237	403	166	.....	(*)	....	.....	(*)
Sri Lanka	664	197	197	4	193	....	464	539	74	3	34	13	21	24
Syria	335	86	86	(*)	86	....	246	282	36	3	35	17	17	32
Taiwan[6]	6,369	4,846	4,860	3,689	1,171	14	1,518	2,768	1,250	5	493	50	410	128
Thailand	2,580	2,166	2,181	1,493	688	15	414	740	326	(*)	5	2	2	5
Vietnam	23,548	23,588	23,592	16,844	6,748	4	102	561	459	–143	973	387	1,225	278
Yemen (Aden)	3	3	3	......	3	....	.....	.....	.....	.....	.....	....	.....	....
Yemen (Sanaa)	238	221	221	12	208	....	17	21	4	.....	.....	....	.....	....
Asian Development Bank	2	2	2	......	2	....	.....	.....	.....	.....	.....	....	.....	....
Other and unspecified Asia	3,347	3,341	3,347	2,572	775	6	6	24	18	.....	.....	....	.....	....
Total, Oceania	2,125	1,769	1,789	3	1,786	20	356	1,709	1,353	(*)	.....	....	.....	(*)
Australia	304	–7	13	......	13	20	311	1,432	1,121	(*)	.....	....	.....	(*)
Fiji	23	20	20	(*)	20	....	4	5	2	.....	.....	....	.....	....
Nauru	(*)	......	......	......	......	....	(*)	4	4	.....	.....	....	.....	....
New Caledonia	1	......	......	......	......	....	1	2	(*)	.....	.....	....	.....	....
New Zealand	45	5	5	3	2	....	40	234	194	.....	.....	....	.....	....
Papua New Guinea	2	2	2	(*)	2	....	(*)	30	31	.....	.....	....	.....	....
Solomon Islands	4	4	4	(*)	4	....	.....	.....	.....	.....	.....	....	.....	....
Tonga	9	9	9	(*)	9	....	.....	.....	.....	.....	.....	....	.....	....
Trust Territory of the Pacific Islands	1,713	1,713	1,713	......	1,713	....	(*)	1	1	.....	.....	....	.....	....
Western Samoa	11	11	11	......	11	....	.....	.....	.....	.....	.....	....	.....	....
Other and unspecified Oceania	11	11	11	......	11	....	.....	.....	.....	.....	.....	....	.....	....
Canada	679	9	13	13	......	4	670	1,301	632	(*)	.....	....	.....	(*)
Other international organizations and unspecified, all areas	15,955	15,942	15,946	191	15,755	4	13	143	129	.....	.....	....	.....	....

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*Less than $500,000 (plus or minus).

[1] For important qualifications affecting this table and for definitions of terms, see the explanatory note.

[2] Includes "Investment in international financial institutions" not shown in a separate column.

[3] New credits do not include $3,682,954,000 representing settlements for postwar relief and other grants under agreements, including that for the reversion of the Ryukyu Islands to Japan. Gross (new) grants have not been adjusted for any part of these settlements. For major countries these amounted to: Germany, $1,000,000,000; Soviet Union, $883,595,000; Japan, $810,000,000; United Kingdom, $562,447,000; France, $353,300,000; and Netherlands, $47,160,000. Although settlements have not been reached with China (Unspecified), for statistical convenience the amount of postwar lend-lease credits ($50,345,000) is included in the total of "settlements" noted here, and thus reported in grants rather than credits.

[4] Includes foreign currencies acquired for triangular trade operations and principal and interest collections on credits, orginally extended under Public Law 83–480, which—since enactment of Public Law 87–128—are available for the same purposes as Public Law 83–480 currencies. Also includes collections of *currency-use payments* (CUP) under Public Law 83–480, subsection 103(b), and collection of pounds from Egypt in compensation for claims under the agreement of May 19, 1979.

[5] Currency of one country used for intercountry transfers is included in uses for that country, but the equivalent amount is deducted from uses for the second country, to which the United States transfers its claim. This results in a negative entry in this column in those instances where the value of the U.S. claim transferred to the second country exceeds the value of currency used in it. If a specific negative value is not shown for a country, then the excess of value of the U.S. claim transferred to this country over the value of currency used in it is less than $500,000.

[6] Data presented for China and indicated "Unspecified" include transactions with official and private entities in the mainland areas in the period prior to 1950 and transactions whose status is currently under review, whereas data indicated "Taiwan" include transactions after 1949 with public and private entities on Taiwan. Data indicated for "Mainland" include transactions after 1978 with official and private entities in mainland areas.

Source: Compiled by Bureau of Economic Analysis, U.S. Department of Commerce, from information made available by operating agencies.

TABLE A-2.—*Summary of major U.S. Government net foreign assistance, July 1, 1945, to Dec. 31, 1984, gross and returned, by type and by program*[1]

[In millions of dollars and equivalents]

Type and program	Total (39½ years)	Calendar years						July 1, 1945, to Dec. 31, 1978
		1984	1983	1982	1981	1980	1979	
Net total, all programs	263,256	13,996	11,642	11,901	10,558	11,074	7,742	196,343
INVESTMENT IN INTERNATIONAL FINANCIAL INSTITUTIONS								
Total	13,140	1,427	1,369	1,007	1,142	796	551	6,848
African Development Bank	141	75	41	....	....	....	....	25
African Development Fund	105	57	23	....	....	....	....	25
Asian Development Bank	577	80	56	59	49	53	29	251
Inter-American Development Bank	4,070	353	235	189	294	233	239	2,527
International Bank for Reconstruction and Development	960	27	34	48	132	16	16	686
International Development Association	7,245	892	1,002	697	655	471	241	3,286
International Finance Corporation	147	....	....	14	11	22	26	73
GRANTS								
Net	181,778	8,814	6,710	6,116	5,309	5,702	3,988	145,140
Gross (new)[2]	184,263	8,820	6,713	6,120	5,312	5,705	3,991	147,602
Military aid	79,060	2,354	1,361	1,373	1,163	1,725	944	70,140
Under Foreign Assistance Act and related programs:								
Military supplies and services[3]	45,205	187	224	346	263	346	194	43,644
Multilateral-construction program contributions	2,591	145	203	142	156	147	105	1,694
Military assistance, service funded	18,169	....	....	....	....	....	....	18,169
Financing of military purchases	8,741	2,022	934	755	317	750	500	3,463
Relocation of facilities in Israel	800	....	....	....	327	349	124	....
Vessel "loans"	[4]586	([4])	([4])	([4])	([4])	([4])	([4])	[4]586
Japanese military aid	540	....	....	....	....	....	....	540
Chinese military aid	120	....	....	....	....	....	....	120
Korean military aid	633	....	....	130	100	122	11	271
Thai military aid	10	....	....	....	....	....	10	....
Taiwanese military aid	12	....	....	....	....	12	....	....
Lend-lease	679	....	....	....	....	....	....	679
Greek-Turkish aid	530	....	....	....	....	....	....	530
Chinese naval aid	141	....	....	....	....	....	....	141
Philippine military aid	132	....	....	....	....	....	....	132
Military equipment "loans" (other than under Foreign Assistance Act)	[4]171	([4])	([4])	([4])	([4])	([4])	([4])	[4]171
Other	105,203	6,466	5,352	4,746	4,149	3,981	3,047	77,462
Under Foreign Assistance Act and related programs	67,104	5,056	4,018	3,504	2,814	2,585	1,992	47,135
Under authorizations for farm products disposals:								
From foreign currencies under the Agricultural Trade Development and Assistance Act	6,462	9	25	10	29	16	20	6,354
For famine, other urgent, and extraordinary relief, for economic development, and through private welfare agencies[5]	10,220	670	582	461	488	501	425	7,093
Payment of transportation	2,994	226	175	198	246	214	167	1,768
Food for development loan forgiveness	342	40	91	59	42	79	31	....
Civilian supplies and lend-lease	7,196	....	....	....	....	....	....	7,196

See footnotes at end of table.

TABLE A-2.—*Summary of major U.S. Government net foreign assistance, July 1, 1945, to Dec. 31, 1984, gross and returned, by type and by program*[1]—Continued

[In millions of dollars and equivalents]

Type and program	Total (39½ years)	Calendar years						July 1, 1945, to Dec. 31, 1978
		1984	1983	1982	1981	1980	1979	
GRANTS—Continued								
UNRRA, post-UNRRA, and interim aid	3,443	....	....	....	....	....	....	3,443
Philippine rehabilitation	676	....	....	....	....	....	....	676
Inter-American aid and technical assistance	145	....	....	....	....	....	....	145
Inter-American and related highways	211	....	(*)	(*)	1	2	3	204
International refugee assistance	2,249	217	216	227	294	379	188	728
International children's assistance	81	....	....	....	....	....	....	81
Greek-Turkish aid	122	....	....	....	....	....	....	122
Chinese stabilization	120	....	....	....	....	....	....	120
Yugoslav aid	38	....	....	....	....	....	....	38
Trust territory development	1,667	139	129	186	132	107	125	849
Peace Corps	2,003	110	116	102	102	98	95	1,381
Libyan special purpose funds	36	....	....	....	....	....	....	36
Berlin investment fund	13	....	....	....	....	....	....	13
American Red Cross	10	....	....	....	....	....	....	10
Other	70	....	....	....	....	(*)	....	70
Less reverse grants and returns	2,485	6	4	4	4	4	3	2,461
Military aid	553	6	4	4	4	4	3	529
Under Foreign Assistance Act and related programs:								
Foreign currency collections[6]	219	6	4	4	4	4	3	195
Return of vessel "loans"	[4]5	(4)	(4)	(4)	(4)	(4)	(4)	[4]5
Settlement for reversionary rights on military assistance	75	....	....	....	....	....	....	75
Return of lend-lease ships	189	....	....	....	....	....	....	189
Return of military equipment (other than under Foreign Assistance Act)	[4]65	(4)	(4)	(4)	(4)	(4)	(4)	[4]65
Other	1,932	....	....	....	....	....	....	1,932
Under Foreign Assistance Act and related programs:								
Dollar cash return	125	....	....	....	....	....	....	125
Other	1,235	....	....	....	....	....	....	1,235
Civilian supplies, lend-lease, and cash settlements for grants	566	....	....	....	....	....	....	566
Other	7	....	....	....	....	....	....	7
CREDITS								
Net	66,578	3,746	3,568	4,776	4,122	4,648	3,272	42,446
Gross (new)[2]	131,192	7,802	8,176	8,594	8,102	8,611	7,030	82,876
Under Export-Import Bank Act	45,357	2,518	2,598	2,276	3,058	3,292	1,859	29,756
Under Foreign Assistance Act and related programs:								
Country program loans	25,924	759	969	1,125	1,143	1,295	1,513	19,121
Social Progress Trust Fund	870	−4	5	−1	1	12	47	810
Deficiency and basic materials development	147	....	....	....	....	....	....	147
Financing of military purchases	25,542	3,185	3,536	3,366	2,709	2,869	1,677	8,200
Investment incentive credits	250	4	4	11	7	7	9	209

See footnotes at end of table.

TABLE A-2.—*Summary of major U.S. Government net foreign assistance, July 1, 1945, to Dec. 31, 1984, gross and returned, by type and by program*[1]—Continued

[In millions of dollars and equivalents]

Type and program	Total (39½ years)	Calendar years 1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978
CREDITS—Continued								
Under Agricultural Trade Development and Assistance Act:								
Loans of foreign currencies:								
To foreign governments	5,186	(*)	(*)	1	(*)	1	2	5,182
To private enterprises	435	2	3	4	1	....	....	425
Long-term dollar credits	12,515	908	794	763	807	808	796	7,639
Lend-lease and surplus property	1,666	2	3	3	....	....	....	1,658
Other credits	13,301	428	265	1,046	375	328	1,129	9,730
British loan	3,750	....	....	....	....	....	....	3,750
Occupied-areas commodity credits	283	....	....	....	....	....	....	283
Reconstruction Finance Corporation loans	70	....	....	....	....	....	....	70
United Nations loans	141	....	....	....	....	....	....	141
Philippine funding	37	....	....	....	....	....	....	37
Under Atomic Energy Act	67	....	....	....	....	....	....	67
Under Commodity Credit Corporation Charter Act	7,692	428	261	39	366	309	1,120	5,170
Miscellaneous	1,260	....	4	1,007	9	19	9	211
Less principal collections	64,614	4,057	4,609	3,817	3,980	3,963	3,759	40,430
Under Export-Import Bank Act	28,507	2,159	1,925	1,612	1,463	1,282	1,284	18,784
Under Foreign Assistance Act and related programs:								
Country program loans	7,183	439	424	451	447	362	409	4,650
Social Progress Trust Fund	529	24	24	28	31	48	66	308
Deficiency and basic materials development	136	....	....	2	....	....	....	134
Financing of military purchases	6,832	855	817	839	804	740	614	2,163
Investment incentive credits	167	12	18	15	15	15	27	65
Under Agricultural Trade Development and Assistance Act:								
Loans of foreign currencies:								
To foreign governments	2,979	46	44	54	52	48	53	2,682
To private enterprises	313	4	5	5	7	9	12	271
Long-term dollar credits	3,278	283	318	273	243	258	231	1,672
Lend-lease, surplus property, and settlements for grants and war accounts	4,485	22	20	20	17	47	46	4,314
Other credits	10,205	214	1,014	518	902	1,153	1,018	5,386
British loan	1,829	85	84	82	80	79	77	1,342
Occupied-areas commodity credits	283	....	....	....	....	....	....	283
Reconstruction Finance Corporation loans	365	....	....	....	....	....	....	365
United Nations loans	129	4	4	4	5	5	5	103
Philippine funding	37	....	....	....	....	....	....	37
Under Atomic Energy Act	82	4	6	6	6	6	6	46
Under Commodity Credit Corporation Charter Act	6,353	108	64	268	799	1,051	924	3,138
Miscellaneous	1,127	12	856	157	11	12	6	71

See footnotes at end of table.

TABLE A-2.—*Summary of major U.S. Government net foreign assistance, July 1, 1945, to Dec. 31, 1984, gross and returned, by type and by program*[1]—Continued

[In millions of dollars and equivalents]

Type and program	Total (39½ years)	Calendar years						July 1, 1945, to Dec. 31, 1978
		1984	1983	1982	1981	1980	1979	
OTHER ASSISTANCE (THROUGH NET ACCUMULATION OF FOREIGN CURRENCY CLAIMS)								
Net	1,760	9	−4	1	−15	−71	−69	1,909
Farm product sales	15,100	1	4	29	69	(*)	(*)	14,997
Under Mutual Security Acts	2,031	....	....	....	....	....	....	2,031
Under Agricultural Trade Development and Assistance Act	12,922	....	....	....	....	....	....	12,922
Under Commodity Credit Corporation Charter Act	147	1	4	29	69	(*)	(*)	44
From 2d-stage operations (under Agricultural Trade Development and Assistance Act)[7]	5,230	79	90	95	108	101	127	4,631
Less currencies disbursed for grants, credits, and other uses	18,569	71	97	123	191	172	196	17,719
Under Mutual Security Acts	2,001	....	....	....	....	....	(*)	2,001
For economic grants and credits in recipient's currency	1,554	....	....	....	....	....	....	1,554
Other	447	....	....	....	....	....	(*)	447
Under Agricultural Trade Development and Assistance Act	16,430	71	84	81	153	172	196	15,674
For economic grants and credits in recipient's currency	11,912	11	25	11	25	15	22	11,803
Other	4,519	[8]60	[8]60	[8]70	[8]128	157	174	[8]3,870
Under Commodity Credit Corporation Charter Act: Other than for grants and credits	138	[8]1	[8]13	[8]41	[8]38	(*)	(*)	[8]44

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*Less than $500,000 (plus or minus).

[1] For important qualifications affecting this table and for definitions of terms, see the explanatory note.

[2] New credits do not include $3,682,954,000 representing settlements for postwar relief and other grants under agreements. New grants have not been adjusted for any part of these settlements.

[3] Includes contributions to mutual special weapons projects.

[4] Data not available 1963–84; to be revised.

[5] Includes donations through United Nations Children's Fund, United Nations Relief and Works Agency for Palestine Refugees, and World Food Program.

[6] Includes some dollars deposited by foreign governments in payment of foreign currencies owed to the United States.

[7] Includes foreign currencies acquired from triangular trade operations and principal and interest collections on credits, originally extended under Public Law 83–480, which—since enactment of Public Law 87–128—are available for the same purposes as Public Law 83–480 currencies. Also includes collections of *currency-use payments* (CUP) under Public Law 83–480, subsection 103(b), and collection of pounds from Egypt in compensation for claims under the agreement of May 19, 1979.

[8] Currencies collected for transactions under the Commodity Credit Corporation Charter Act are merged with those collected under Agricultural Trade Development and Assistance Act operations. This merger is recorded as an interprogram transfer, i.e., as a use against the Charter Act and as a negative entry in uses against the Agricultural Trade Development and Assistance Act.

Source: Compiled by Bureau of Economic Analysis, U.S. Department of Commerce, from information made available by operating agencies.

TABLE A-3.—*Summary of major U.S. Government net foreign assistance, July 1, 1945, to Dec. 31, 1984, by area, type, and country*[1]

[In millions of dollars and equivalents]

Area, type, and country	Total (39½ years)	Calendar years						July 1, 1945, to Dec. 31, 1978
		1984	1983	1982	1981	1980	1979	
Total, all areas[2]	250,116	12,569	10,273	10,893	9,416	10,279	7,190	189,495
Total, Europe	61,921	673	761	513	669	892	627	57,786
Total, Western Europe	59,109	693	707	458	495	1,176	421	55,158
Austria	1,217	3	(*)	8	12	14	-5	1,186
Belgium and Luxembourg	1,896	-17	-17	-15	-11	52	-7	1,911
Cyprus	160	1	(*)	-2	-1	17	14	131
Denmark	909	-12	-13	-4	2	14	-3	923
Finland	65	-11	19	-6	17	9	-3	40
France	8,371	-17	6	-5	34	-31	-49	8,432
Germany	3,685	-6	-6	-9	-13	-15	-15	3,748
Greece	4,742	-14	44	-52	-49	-18	36	4,794
Iceland	49	-1	-1	-1	-1	5	-5	51
Ireland	85	-4	-7	8	44	(*)	-5	49
Italy	5,710	-12	-25	-28	122	184	-17	5,485
Malta	84	....	....	....	....	....	....	84
Netherlands	2,046	-14	-20	-26	-33	-27	-29	2,195
Norway	1,212	-4	-12	-26	-36	-52	-44	1,385
Portugal	1,414	122	64	-2	-100	-81	105	1,307
San Marino	1	....	....	....	....	....	....	1
Spain	3,009	220	101	14	79	173	138	2,285
Sweden	108	-3	-5	-4	-1	5	-3	120
Switzerland	9	-14	-14	-17	-14	-9	-6	83
Turkey	10,302	443	491	696	393	587	352	7,340
United Kingdom	6,210	-134	-119	-208	-125	178	-123	6,741
Yugoslavia	2,862	16	20	-31	12	22	-25	2,847
European Atomic Energy Community	2	-4	-5	-5	-5	-5	-5	29
European Coal and Steel Community	....	....	....	....	....	....	-7	-7
European Payments Union	6	....	....	....	....	....	....	6
Other and unspecified Western Europe[3]	4,953	154	206	172	167	151	125	3,978
Total, other Europe	2,812	-20	54	55	174	-285	206	2,628
Albania	20	....	....	....	....	....	....	20
Czechoslovakia	186	-3	-2	(*)	....	....	....	191
East Germany	17	....	....	....	....	....	....	17
Hungary	21	-2	-2	-4	3	-4	8	22
Poland	1,851	42	74	86	236	-243	129	1,525
Romania	112	-18	5	-16	-49	-23	76	138
U.S.S.R.	605	-39	-21	-11	-17	-14	-7	713
Total, Africa	27,758	3,701	3,281	3,536	2,637	2,584	1,643	10,376
Algeria	874	-108	-83	(*)	172	125	150	619
Angola	83	-5	-8	37	45	8	1	5
Benin	59	4	2	4	4	2	4	38
Botswana	173	27	18	20	20	16	11	61
Burkina Faso	283	39	30	30	40	31	24	90
Burundi	61	13	8	8	9	5	3	16
Cameroon	211	20	3	14	52	25	14	83
Cape Verde	64	6	12	12	8	6	4	16
Central African Republic	26	2	6	1	2	2	1	13
Chad	129	29	18	6	2	6	12	55

See footnotes at end of table.

TABLE A-3.—*Summary of major U.S. Government net foreign assistance, July 1, 1945, to Dec. 31, 1984, by area, type, and country*[1]—Continued

[In millions of dollars and equivalents]

Area, type, and country	Total (39½ years)	Calendar years 1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978
Africa—Continued								
Comoros	3	1	1	1	(*)	(*)	(*)	(*)
Congo	27	1	2	9	(*)	2	1	12
Djibouti	24	7	4	3	3	4	1	1
Egypt	12,688	1,923	2,060	2,344	1,397	1,471	890	2,603
Equatorial Guinea	5	2	2	1	1	1	(*)	(*)
Ethiopia	652	19	6	2	3	20	13	588
Gabon	20	-1	-2	1	-5	-4	(*)	30
Gambia	47	10	6	6	6	4	2	13
Ghana	401	20	8	7	19	16	21	311
Guinea	189	4	2	1	17	7	4	154
Guinea-Bissau	32	5	3	4	8	2	1	9
Ivory Coast	116	2	-3	-5	9	27	1	84
Kenya	571	63	81	54	87	51	27	209
Lesotho	200	36	28	27	32	20	11	46
Liberia	636	106	69	72	76	30	9	274
Libya	224	....	....	....	....	....	....	224
Madagascar	81	19	10	15	10	(*)	2	24
Malawi	83	10	7	3	5	4	4	50
Mali	217	32	16	15	18	25	16	97
Mauritania	143	25	22	13	21	17	6	38
Mauritius	40	3	4	7	5	4	3	15
Morocco	1,694	313	117	56	52	40	32	1,084
Mozambique	124	21	11	5	17	17	24	31
Namibia	2	1	(*)	....	1	1	....	(*)
Niger	198	23	18	22	12	10	17	96
Nigeria	487	49	80	-5	7	-3	-3	361
Rwanda	88	18	11	12	11	8	5	24
Sao Tome and Principe	4	2	1	1	(*)	(*)	(*)	(*)
Senegal	374	74	49	33	37	38	32	111
Seychelles	11	3	3	2	1	1	(*)	1
Sierra Leone	133	9	11	8	6	9	5	84
Somalia	552	114	91	77	70	70	22	108
South Africa	-91	1	(*)	(*)	(*)	(*)	(*)	-92
Sudan	1,053	222	213	261	104	74	25	155
Swaziland	58	7	11	7	7	11	3	12
Tanzania	396	22	20	28	31	30	24	242
Togo	78	7	9	7	5	7	7	36
Tunisia	1,308	113	125	118	25	51	11	866
Uganda	80	3	4	2	10	15	(*)	45
Zaire	1,472	207	44	85	65	149	101	820
Zambia	315	53	25	15	29	42	40	110
Zimbabwe	217	74	62	27	28	26	....	(*)
East African Common Services Organization	1	(*)	(*)	(*)	(*)	(*)	(*)	1
Other and unspecified Africa	842	55	45	61	53	63	61	504
Total, Western Hemisphere	20,288	2,014	719	1,761	540	601	366	14,288
Antigua and Barbuda	4	1	2	(*)	....	....	....	1
Argentina	469	16	26	31	-25	-30	-29	480
Bahamas	2	....	(*)	-1	2	-2	-3	6
Barbados	18	1	8	1	1	1	(*)	6

See footnotes at end of table.

TABLE A-3.—*Summary of major U.S. Government net foreign assistance, July 1, 1945, to Dec. 31, 1984, by area, type, and country*[1]—Continued

[In millions of dollars and equivalents]

Area, type, and country	Total (39½ years)	Calendar years						July 1, 1945, to Dec. 31, 1978
		1984	1983	1982	1981	1980	1979	
Western Hemisphere—Continued								
Belize	21	6	6	1	(*)	(*)	(*)	8
Bermuda	(*)	....	....	....	....	–1	–1	2
Bolivia	978	39	51	33	19	32	36	767
Brazil	3,430	82	35	–137	–83	–29	–17	3,579
Cayman Islands	7	–1	4	(*)	3	–1	–2	4
Chile	1,007	–28	–47	–51	–86	–68	–186	1,474
Colombia	1,544	104	83	–7	–4	7	–6	1,368
Costa Rica	675	183	202	46	11	3	8	221
Cuba	57	....	....	....	....	....	....	57
Dominica	3	(*)	1	(*)	(*)	(*)	1	1
Dominican Republic	940	141	38	73	23	30	60	575
Ecuador	412	46	10	–4	–1	6	7	348
El Salvador	1,391	454	326	240	121	49	10	190
Grenada	29	29	(*)	(*)	(*)	(*)	(*)	1
Guatemala	545	24	33	23	18	15	17	414
Guyana	114	–1	2	5	7	3	3	96
Haiti	456	43	42	46	40	37	29	219
Honduras	730	209	112	85	45	21	29	228
Jamaica	631	151	114	106	58	12	19	172
Mexico	1,952	138	–549	1,084	160	180	103	836
Netherlands Antilles	25	(*)	1	20	3	–1	(*)	3
Nicaragua	425	1	3	6	15	79	29	292
Panama	482	54	15	13	4	13	5	378
Paraguay	177	1	3	2	(*)	(*)	3	170
Peru	1,206	211	68	(*)	–10	–1	93	846
St. Vincent and the Grenadines	1	(*)	(*)	(*)	(*)	1	(*)	(*)
Suriname	5	(*)	(*)	(*)	–1	–1	–1	8
Trinidad and Tobago	228	19	–19	11	51	89	29	48
Uruguay	208	–3	–5	10	–4	–2	–4	217
Venezuela	272	–37	6	–1	40	18	12	234
Central American Bank for Economic Integration	167	–4	3	(*)	–1	8	5	156
Central American Monetary Stabilization Fund	8	(*)	(*)	(*)	(*)	(*)	....	10
Caribbean Development Bank	115	1	14	14	26	22	15	22
Andean Development Corporation	21	–2	(*)	–2	4	12	4	6
Other and unspecified Western Hemisphere	1,529	136	130	116	105	98	97	846
Total, Asia	121,390	4,552	4,335	3,579	4,121	4,756	3,586	96,459
Afghanistan	519	–4	–2	–1	–5	4	38	489
Bangladesh	2,190	259	219	202	130	175	161	1,044
Bhutan	6	1	1	1	1	1	(*)	1
Burma	226	7	3	6	(*)	(*)	(*)	211
Cambodia	2,212	4	3	7	23	44	5	2,127
China: Unspecified[4]	1,675	....	....	....	....	....	....	1,675
China: Mainland[4]	43	20	9	12	1	1	....	....
Hong Kong	104	–14	–9	11	32	10	–5	79
India	10,072	81	74	89	215	168	95	9,349
Indonesia	3,763	224	259	21	19	166	224	2,850
Iran	1,443	....	–306	....	(*)	(*)	–158	1,906

See footnotes at end of table.

TABLE A-3.—*Summary of major U.S. Government net foreign assistance, July 1, 1945, to Dec. 31, 1984, by area, type, and country*[1]—Continued

[In millions of dollars and equivalents]

Area, type, and country	Total (39½ years)	Calendar years 1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978
Asia—Continued								
Iraq	105	–8	32	–1	–1	–1	–1	84
Israel	26,243	3,094	2,661	2,181	2,441	2,960	2,184	10,722
Japan and Ryukyu Islands	4,054	–99	–16	–84	68	–50	–69	4,304
Jordan	2,468	–18	77	170	315	209	127	1,589
Korea	15,050	208	448	475	300	261	247	13,111
Laos	2,560	2	(*)	(*)	(*)	(*)	2	2,556
Lebanon	383	31	57	–2	30	20	9	237
Macau	5	....	....	....	....	....	....	5
Malaysia	167	–6	61	–5	–17	–10	–18	162
Nepal	346	24	28	22	19	17	8	228
Oman	84	14	3	22	30	13	(*)	1
Pakistan	6,819	415	348	167	94	66	18	5,712
Philippines	3,476	142	241	62	58	67	148	2,759
Saudi Arabia	53	–2	–2	–1	6	4	–2	52
Singapore	241	56	–34	–15	–14	25	93	130
Sri Lanka	664	83	63	49	32	55	39	342
Syria	335	1	25	27	17	23	80	163
Taiwan[4]	6,369	–144	–44	34	191	404	167	5,760
Thailand	2,580	109	60	49	35	54	124	2,149
Vietnam	23,548	1	(*)	(*)	1	1	(*)	23,544
Yemen (Aden)	3	....	....	....	....	....	....	3
Yemen (Sanaa)	238	33	37	30	26	16	10	86
Asian Development Bank	2	(*)	....	....	....	....	....	1
Other and unspecified Asia	3,347	39	40	48	76	54	58	3,032
Total, Oceania	2,125	132	193	211	211	107	95	1,176
Australia	304	–5	75	37	81	(*)	–29	145
Fiji	23	1	1	2	8	2	1	8
Nauru	(*)	....	–4	....	4	....	....	....
New Caledonia	1	....	....	....	....	....	....	1
New Zealand	45	–13	–15	–19	–18	–4	–3	117
Papua New Guinea	2	1	1	(*)	(*)	(*)	(*)	(*)
Solomon Islands	4	1	1	(*)	(*)	(*)	(*)	2
Tonga	9	1	(*)	1	1	(*)	(*)	6
Trust Territory of the Pacific Islands	1,713	141	129	188	133	108	125	888
Western Samoa	11	1	1	1	1	(*)	1	7
Other and unspecified Oceania	12	5	4	2	(*)	(*)	(*)	(*)
Canada	679	98	97	91	47	95	–9	260
Other international organizations and unspecified, all areas	15,955	1,399	887	1,202	1,190	1,244	882	9,151

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*Less than $500,000 (plus or minus).

[1] For important qualifications affecting this table and for definitions of terms, see the explanatory note.

[2] Does not include $13,140,245,000 investment in international financial institutions, shown in tables A-1 and A-2.

[3] Includes contributions to the multilateral-construction program of the North Atlantic Treaty Organization and contributions to mutual special weapons projects.

[4] Data presented for China and indicated "Unspecified" include transactions with official and private entities in the mainland areas in the period prior to 1950 and transactions whose status is currently under review, whereas data indicated "Taiwan" include transactions after 1949 with public and private entities on Taiwan. Data indicated for "Mainland" include transactions after 1978 with official and private entities in mainland areas.

Source: Compiled by Bureau of Economic Analysis, U.S. Department of Commerce, from information made available by operating agencies.

TABLE A-4A.—*Summary of U.S. Government net foreign military grants, July 1, 1945, to Dec. 31, 1984, by area, type, and country*[1]

[In millions of dollars and equivalents]

Area, type, and country	Total (39½ years)	Calendar years 1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978
Total, all areas	78,506	2,348	1,357	1,369	1,159	1,721	941	69,610
Total, Europe	27,062	436	441	358	256	276	165	25,130
Total, Western Europe	27,062	436	441	358	256	276	165	25,130
Austria	106	(*)	(*)	(*)	(*)	(*)	(*)	106
Belgium and Luxembourg	1,255	....	....	....	....	....	....	1,255
Denmark	632	....	....	....	(*)	(*)	....	633
France	4,397	(*)	(*)	(*)	(*)	(*)	(*)	4,398
Germany	852	-1	-1	-1	-1	-1	(*)	855
Greece	2,590	3	36	23	18	34	12	2,465
Italy	2,509	-1	....	(*)	(*)	(*)	....	2,510
Netherlands	1,274	....	....	....	....	....	....	1,274
Norway	935	....	....	....	....	....	(*)	935
Portugal	650	108	40	78	18	19	11	377
Spain	879	5	20	24	31	14	4	781
Turkey	4,605	154	123	50	17	47	17	4,196
United Kingdom	1,209	(*)	(*)	(*)	....	(*)	(*)	1,210
Yugoslavia	720	(*)	(*)	(*)	(*)	(*)	....	719
Other and unspecified Western Europe[2]	4,448	168	222	183	174	163	122	3,416
Total, Africa	1,628	453	394	273	8	6	8	488
Botswana	5	5	(*)	(*)	(*)	(*)	....	....
Burkina Faso	1	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Cameroon	1	(*)	(*)	(*)	(*)	(*)	....	(*)
Chad	23	15	8	....	....	....	....	....
Djibouti	4	2	2	(*)	....	....	....	....
Egypt	690	203	270	202	1	1	(*)	13
Ethiopia	236	....	....	....	....	....	....	236
Ghana	2	(*)	(*)	(*)	(*)	(*)	(*)	1
Guinea	3	2	(*)	....	....	....	....	1
Kenya	38	20	5	9	1	1	(*)	1
Liberia	37	13	7	6	1	(*)	(*)	9
Libya	18	....	....	....	....	....	....	18
Mali	4	(*)	(*)	(*)	(*)	(*)	(*)	3
Morocco	117	32	26	1	1	1	1	55
Niger	4	2	1	(*)	(*)	....	....	(*)
Nigeria	2	....	....	....	....	....	....	2
Senegal	7	2	(*)	(*)	(*)	(*)	(*)	3
Somalia	70	45	5	20	(*)	....	....	....
Sudan	139	63	51	23	1	(*)	(*)	1
Tunisia	90	28	6	1	1	1	1	51
Zaire	55	10	5	(*)	1	1	2	36
Other and unspecified Africa	85	10	5	9	1	1	2	56
Total, Western Hemisphere	1,862	354	111	60	16	7	6	1,307
Antigua and Barbuda	1	(*)	1	....	....	....	....	....
Argentina	87	....	....	....	....	....		87
Barbados	1	(*)	(*)	(*)	(*)	(*)	(*)	....
Belize	1	1	(*)	(*)	....	....	....	....
Bolivia	57	1	....	(*)	....	3	1	52
Brazil	303	....	(*)	....	....	....	....	303
Chile	139	....	....	....	....	(*)	....	139
Colombia	129	1	1	(*)	(*)	(*)	1	126
Costa Rica	16	11	3	(*)	(*)	....	....	2
Cuba	16	....	....	....	....	....	....	16
Dominica	2	(*)	1	(*)	(*)	....	....	....
Dominican Republic	42	4	1	(*)	(*)	(*)	(*)	35
Ecuador	66	1	1	(*)	(*)	(*)	(*)	63
El Salvador	336	212	56	44	11	(*)	(*)	13

See footnotes at end of table.

TABLE A-4A.—*Summary of U.S. Government net foreign military grants, July 1, 1945, to Dec. 31, 1984, by area, type, and country*[1]—Continued

[In millions of dollars and equivalents]

Area, type, and country	Total (39½ years)	Calendar years 1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978
Western Hemisphere—Continued								
Grenada	5	5	....	....	....	....	....	....
Guatemala	31	....	(*)	(*)	(*)	(*)	(*)	31
Haiti	7	1	(*)	(*)	(*)	(*)	(*)	5
Honduras	145	92	34	1	1	1	(*)	16
Jamaica	9	4	3	(*)	(*)	....	....	1
Mexico	3	(*)	(*)	(*)	(*)	(*)	(*)	3
Nicaragua	24	....	....	....	....	(*)	(*)	24
Panama	21	9	(*)	(*)	(*)	(*)	(*)	10
Paraguay	27	(*)	(*)	(*)	(*)	(*)	1	26
Peru	145	1	1	(*)	(*)	(*)	(*)	142
Uruguay	68	(*)	(*)	(*)	(*)	(*)	(*)	67
Venezuela	18	(*)	(*)	(*)	(*)	(*)	(*)	18
Other and unspecified Western Hemisphere	161	8	7	12	3	1	2	129
Total, Asia	47,752	1,106	412	675	872	1,432	755	42,501
Afghanistan	6	....	....	....	....	....	(*)	6
Bangladesh	1	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Burma	89	(*)	(*)	(*)	(*)	(*)	....	89
Cambodia	1,276	....	....	....	....	....	....	1,276
China: Unspecified[3]	868	....	....	....	....	....	....	868
India	116	(*)	(*)	(*)	(*)	(*)	1	115
Indonesia	263	3	3	6	9	29	10	203
Iran	896	....	....	....	....	....	....	896
Iraq	50	....	....	....	....	....	....	50
Israel	7,660	1,054	338	451	644	1,099	624	3,450
Japan and Ryukyu Islands	1,775	−1	−1	−1	−1	−1	−1	1,779
Jordan	541	6	15	19	67	48	44	342
Korea	6,351	(*)	(*)	138	107	160	19	5,927
Laos	1,644	....	....	....	....	....	....	1,644
Lebanon	20	(*)	1	1	(*)	(*)	1	16
Malaysia	6	1	1	(*)	(*)	(*)	1	3
Nepal	3	(*)	(*)	(*)	(*)	(*)	(*)	2
Pakistan	695	1	1	1	....	....	(*)	692
Philippines	868	9	21	30	16	34	7	751
Saudi Arabia	38	....	....	....	....	....	....	38
Sri Lanka	4	(*)	(*)	(*)	(*)	(*)	(*)	3
Taiwan[3]	3,681	....	....	(*)	1	12	(*)	3,667
Thailand	1,482	14	15	5	4	23	17	1,403
Vietnam	16,840	....	....	....	....	....	....	16,840
Yemen (Sanaa)	12	6	2	1	1	(*)	1	1
Other and unspecified Asia	2,569	12	13	22	23	26	31	2,441
Total, Oceania	3	(*)	(*)	(*)	(*)	(*)	....	3
New Zealand	3	....	....	....	....	....	....	3
Other and unspecified Oceania	(*)	(*)	(*)	(*)	(*)	(*)	....	....
Canada	9	....	....	....	....	....	....	9
Other international organizations and unspecified, all areas	191	....	....	4	7	....	6	173

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*Less than $500,000 (plus or minus).

[1] For important qualifications affecting this table and for definitions of terms, see the explanatory note.

"Military grants" includes supplies, services, and financing of purchases under those programs that were enacted to furnish military supplies and services to foreign countries. The programs are set out in table A-2. Net grants other than under military programs appear in table A-4B.

[2] Includes contributions to the multilateral-construction program of the North Atlantic Treaty Organization and contributions to mutual special weapons projects.

[3] Data presented for China and indicated "Unspecified" include transactions with entities in the mainland areas in the period prior to 1950, whereas data indicated "Taiwan" include transactions after 1949 with entities on Taiwan.

Source: Compiled by Bureau of Economic Analysis, U.S. Department of Commerce, from information made available by operating agencies.

TABLE A-4B.—*Summary of U.S. Government net foreign grants other than under military programs, July 1, 1945, to Dec. 31, 1984, by area, type, and country*[1]

[In millions of dollars and equivalents]

Area, type, and country	Total (39½ years)	Calendar years						July 1, 1945, to Dec. 31, 1978
		1984	1983	1982	1981	1980	1979	
Total, all areas	103,271	6,466	5,352	4,746	4,149	3,981	3,047	75,530
Total, Europe	24,456	245	199	423	158	234	92	23,105
Total, Western Europe	23,148	191	125	365	158	234	92	21,984
Austria	1,045	....	....	....	....	....	....	1,045
Belgium and Luxembourg	581	....	....	....	....	....	....	581
Cyprus	157	2	1	(*)	2	21	12	119
Denmark	234	....	....	....	....	....	....	234
Finland	4	....	....	....	....	....	....	4
France	4,183	....	....	....	....	....	....	4,183
Germany	3,831	....	....	....	....	....	....	3,831
Greece	1,472	(*)	(*)	....	(*)	....	(*)	1,472
Iceland	34	....	....	....	....	....	....	34
Ireland	17	....	....	....	....	....	....	17
Italy	2,866	21	15	11	19	6	12	2,782
Malta	79	....	....	....	....	....	....	79
Netherlands	844	....	....	....	....	....	....	844
Norway	217	....	....	....	....	....	....	217
Portugal	276	65	24	23	23	26	22	94
San Marino	1	....	....	....	....	....	....	1
Spain	472	13	9	22	11	12	5	401
Sweden	87	....	....	....	....	....	....	87
Turkey	1,926	90	75	300	100	169	40	1,151
United Kingdom	3,280	....	....	....	....	....	....	3,280
Yugoslavia	1,057	....	(*)	7	3	....	(*)	1,047
European Payments Union	6	....	....	....	....	....	....	6
Other and unspecified Western Europe	480	1	2	1	1	(*)	(*)	474
Total, other Europe	1,308	54	74	57	1	....	....	1,122
Albania	20	....	....	....	....	....	....	20
Czechoslovakia	186	....	....	....	....	....	....	186
East Germany	17	....	....	....	....	....	....	17
Hungary	17	....	....	....	....	....	....	17
Poland	630	54	74	57	1	....	....	444
Romania	11	....	....	....	....	....	....	11
U.S.S.R.	426	....	....	....	....	....	....	426
Total, Africa	11,402	1,881	1,464	1,140	996	800	495	4,626
Algeria	192	....	....	....	(*)	....	1	191
Angola	32	7	3	6	5	8	2	1
Benin	36	4	2	4	3	2	1	19
Botswana	141	18	18	20	20	16	10	39
Burkina Faso	282	39	30	30	40	31	24	89
Burundi	61	12	8	8	9	5	3	16
Cameroon	110	12	12	13	13	10	7	43
Cape Verde	63	6	12	12	8	6	4	16
Central African Republic	19	2	2	1	2	2	1	10
Chad	106	14	10	6	2	6	12	55
Comoros	3	1	1	1	(*)	(*)	(*)	(*)
Congo	19	2	2	2	(*)	1	1	12
Djibouti	20	5	3	3	3	4	1	1

See footnotes at end of table.

TABLE A-4B.—*Summary of U.S. Government net foreign grants other than under military programs, July 1, 1945, to Dec. 31, 1984, by area, type, and country*[1]—Continued

[In millions of dollars and equivalents]

Area, type, and country	Total (39½ years)	Calendar years 1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978
Africa—Continued								
Egypt	3,313	982	703	476	304	188	126	533
Equatorial Guinea	5	2	1	1	1	1	(*)	(*)
Ethiopia	303	24	9	4	6	22	16	222
Gabon	13	2	1	1	1	1	(*)	8
Gambia	47	10	6	6	6	4	2	13
Ghana	205	26	12	12	18	13	13	112
Guinea	81	2	2	4	8	6	1	59
Guinea-Bissau	32	5	3	4	8	2	1	9
Ivory Coast	29	(*)	(*)	(*)	1	1	2	24
Kenya	311	31	58	36	52	21	10	103
Lesotho	200	36	28	27	32	20	11	46
Liberia	405	72	40	46	49	25	10	163
Libya	206	....	....	....	....	....	....	206
Madagascar	48	8	3	11	6	(*)	3	18
Malawi	48	7	6	4	3	3	2	22
Mali	208	32	16	15	18	23	15	90
Mauritania	138	24	22	13	20	17	7	35
Mauritius	27	4	1	4	2	1	(*)	15
Morocco	607	29	30	31	33	22	19	443
Mozambique	94	18	13	3	8	7	15	29
Namibia	2	1	(*)	....	1	1	....	(*)
Niger	184	20	17	21	11	10	11	93
Nigeria	277	1	(*)	(*)	(*)	(*)	1	274
Rwanda	87	18	11	11	10	7	5	24
Sao Tome and Principe	4	2	1	1	(*)	(*)	(*)	(*)
Senegal	334	72	43	29	34	35	28	94
Seychelles	11	3	3	2	1	1	(*)	1
Sierra Leone	93	6	6	6	6	7	5	57
Somalia	317	49	40	23	53	53	14	86
South Africa	-91	1	(*)	(*)	(*)	(*)	....	-92
Sudan	511	80	122	118	41	51	6	93
Swaziland	47	7	8	7	7	7	3	9
Tanzania	273	20	14	22	26	23	13	156
Togo	75	8	9	7	5	7	6	34
Tunisia	508	12	9	8	13	8	12	445
Uganda	70	3	5	2	11	15	(*)	34
Zaire	345	16	14	13	12	11	11	269
Zambia	53	11	11	4	6	11	3	6
Zimbabwe	186	71	56	7	26	26	....	(*)
Other and unspecified Africa	714	46	42	56	54	60	56	399
Total, Western Hemisphere	7,315	830	583	405	318	305	273	4,601
Antigua and Barbuda	1	....	(*)	(*)	....	....	....	1
Argentina	21	(*)	(*)	(*)	(*)	(*)	(*)	21
Barbados	6	1	(*)	(*)	(*)	(*)	(*)	4
Belize	16	5	1	1	(*)	(*)	(*)	8
Bolivia	545	29	39	20	25	33	25	373
Brazil	645	17	2	2	2	3	3	617
Chile	343	10	10	3	9	10	13	288
Colombia	348	2	2	3	3	8	8	323
Costa Rica	291	102	47	5	4	3	3	127

See footnotes at end of table.

TABLE A-4B.—*Summary of U.S. Government net foreign grants other than under military programs, July 1, 1945, to Dec. 31, 1984, by area, type, and country*[1]—Continued

[In millions of dollars and equivalents]

Area, type, and country	Total (39½ years)	Calendar years						July 1, 1945, to Dec. 31, 1978
		1984	1983	1982	1981	1980	1979	
Western Hemisphere—Continued								
Cuba	5	....	....	....	....	....	....	5
Dominica	2	....	(*)	(*)	....	(*)	1	1
Dominican Republic	401	63	10	11	14	9	11	282
Ecuador	207	24	8	8	5	5	5	152
El Salvador	593	166	158	120	20	31	6	92
Grenada	23	23	(*)	(*)	(*)	(*)	(*)	1
Guatemala	350	20	18	14	13	10	10	265
Guyana	41	1	2	3	3	2	1	28
Haiti	338	32	31	33	30	28	20	163
Honduras	275	84	34	14	16	10	8	110
Jamaica	96	13	8	6	5	5	4	56
Mexico	278	20	39	14	13	12	17	163
Nicaragua	142	1	3	5	8	6	17	101
Panama	255	39	9	7	6	8	8	179
Paraguay	106	3	3	4	3	3	3	88
Peru	495	57	52	30	38	27	27	263
Suriname	5	....	....	....	....	....	....	5
Trinidad and Tobago	35	(*)	(*)	(*)	....	(*)	....	35
Uruguay	34	(*)	(*)	(*)	(*)	(*)	(*)	33
Venezuela	67	(*)	....	(*)	(*)	(*)	(*)	67
Other and unspecified Western Hemisphere	1,352	117	106	102	98	92	84	753
Total, Asia	42,582	1,957	2,078	1,381	1,351	1,283	1,180	33,352
Afghanistan	390	....	(*)	1	-5	2	19	372
Bangladesh	1,176	164	180	117	65	132	85	432
Bhutan	6	1	1	1	1	1	(*)	1
Burma	108	7	21	6	1	(*)	(*)	72
Cambodia	724	4	3	7	23	44	5	639
China: Unspecified[3]	737	....	....	....	....	....	....	737
China: Mainland[3]	2	....	....	(*)	1	1	....	....
Hong Kong	44	(*)	(*)	(*)	(*)	(*)	(*)	43
India	5,965	140	152	133	193	168	209	4,970
Indonesia	680	37	42	38	41	38	26	458
Iran	461	....	....	....	(*)	(*)	....	461
Iraq	31	....	....	....	....	....	....	31
Israel	8,369	1,224	1,320	810	807	687	683	2,840
Japan and Ryukyu Islands	2,628	....	....	....	....	....	....	2,628
Jordan	1,123	10	10	8	9	27	21	1,039
Korea	4,493	(*)	(*)	(*)	1	2	1	4,488
Laos	915	2	(*)	(*)	(*)	(*)	2	911
Lebanon	233	29	29	15	6	4	11	138
Macau	5	....	....	....	....	....	....	5
Malaysia	70	(*)	1	1	1	1	2	64
Nepal	339	24	28	23	22	20	11	211
Oman	5	2	1	1	1	(*)	(*)	1
Pakistan	2,417	98	74	88	60	35	14	2,047
Philippines	1,763	119	125	41	37	37	31	1,373
Saudi Arabia	31	....	....	....	....	....	....	31
Singapore	3	(*)	....	(*)	(*)	(*)	(*)	3

See footnotes at end of table.

TABLE A-4B.—*Summary of U.S. Government net foreign grants other than under military programs, July 1, 1945, to Dec. 31, 1984, by area, type, and country*[1]—Continued

[In millions of dollars and equivalents]

Area, type, and country	Total (39½ years)	Calendar years 1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978
Sri Lanka	193	12	18	11	10	13	6	123
Syria	86	(*)	4	6	7	10	9	50
Taiwan	1,166	(*)	(*)	(*)	1	(*)	(*)	1,165
Thailand[2]	684	30	20	19	14	15	7	580
Vietnam	6,748	(*)	(*)	(*)	(*)	1	(*)	6,747
Yemen (Aden)	3	....	....	....	....	....	....	3
Yemen (Sanaa)	208	26	23	28	22	15	9	84
Asian Development Bank	2	(*)	....	....	....	....	....	1
Other and unspecified Asia	774	27	27	26	31	29	27	606
Total, Oceania	1,766	150	137	194	138	111	127	907
Australia	–7	....	....	....	....	....	....	–7
Fiji	20	2	2	2	3	2	1	8
New Zealand	2	....	....	....	....	....	....	2
Papua New Guinea	2	1	1	(*)	(*)	(*)	(*)	(*)
Solomon Islands	4	1	(*)	(*)	(*)	(*)	(*)	2
Tonga	9	1	(*)	1	1	(*)	(*)	6
Trust Territory of the Pacific Islands	1,713	141	129	188	133	108	125	888
Western Samoa	11	1	1	1	1	(*)	1	7
Other and unspecified Oceania	12	5	4	2	(*)	(*)	(*)	(*)
Other international organizations and unspecified, all areas	15,751	1,402	890	1,203	1,188	1,248	880	8,939

*Less than $500,000 (plus or minus).

[1] For important qualifications affecting this table and for definitions of terms, see the explanatory note.

"Military grants" appearing in table A-4A includes supplies services, and financing of purchases under those programs that were enacted to furnish military supplies and services to foreign countries. The programs are set out in table A-2. "Net grants other than under military programs" in this table includes development assistance, technical assistance, relief, and economic assistance.

[2] Data presented for China and indicated "Unspecified" include transactions with official and private entities in the mainland areas in the period prior to 1950 and transactions whose status is currently under review, whereas data indicated "Taiwan" include transactions after 1949 with public and private entities on Taiwan. Data indicated for "Mainland" include transactions after 1978 with official and private entities in mainland areas.

NOTE.—Net grants have not been adjusted for $3,682,954,000, representing settlements for postwar relief and other grants under agreements; see footnote 3 to table A–1 for additional details.

Source: Compiled by Bureau of Economic Analysis, U.S. Department of Commerce, from information made available by operating agencies.

TABLE A-5.—*Summary of U.S. Government net foreign credits, July 1, 1945, to Dec. 31, 1984, by area and country*[1]

[In millions of dollars and equivalents]

Area and country	Total (39½ years)	Calendar years						July 1, 1945, to Dec. 31, 1978
		1984	1983	1982	1981	1980	1979	
Total, all areas	66,578	3,746	3,568	4,776	4,122	4,648	3,272	42,446
Total, Europe	9,835	-8	121	-293	207	400	395	9,012
Total, Western Europe	8,588	65	140	-262	79	666	165	7,736
Austria	66	3	(*)	8	12	14	-5	35
Belgium and Luxembourg	60	-17	-17	-15	-11	52	-7	75
Cyprus	4	-1	-1	-2	-3	-4	2	12
Denmark	43	-12	-13	-4	3	15	-3	56
Finland	54	-11	19	-6	16	9	-3	29
France	-211	-17	6	-4	35	-31	-48	-151
Germany	-996	-5	-6	-8	-12	-14	-14	-937
Greece	680	-17	8	-75	-66	-52	24	858
Iceland	14	-1	-1	-1	-1	5	-5	16
Ireland	68	-4	-7	8	44	(*)	-5	32
Italy	335	-32	-40	-39	104	179	-29	194
Malta	5	....	....	....	....	....	....	5
Netherlands	-73	-14	-20	-26	-33	-27	-29	77
Norway	61	-4	-12	-26	-36	-52	-44	233
Portugal	488	-50	(*)	-103	-140	-125	71	836
Spain	1,574	201	71	-31	37	147	130	1,019
Sweden	21	-3	-5	-4	-1	5	-3	32
Switzerland	9	-14	-14	-17	-14	-9	-6	83
Turkey	3,708	199	293	345	275	372	294	1,929
United Kingdom	1,721	-134	-119	-208	-125	178	-123	2,252
Yugoslavia	930	16	19	-37	8	21	-23	927
European Atomic Energy Community	2	-4	-5	-5	-5	-5	-5	29
European Coal and Steel Community	....	....	....	....	....	....	-7	7
Other and unspecified Western Europe	26	-15	-18	-11	-8	-12	2	88
Total, other Europe	1,247	-72	-19	-31	128	-267	230	1,277
Czechoslovakia	(*)	-3	-2	(*)	....	....	....	5
Hungary	4	-2	-2	-4	3	-4	8	5
Poland	963	-10	1	1	191	-225	153	852
Romania	101	-18	5	-16	-49	-23	76	128
U.S.S.R.	178	-39	-21	-11	-17	-14	-7	287
Total, Africa	14,551	1,362	1,420	2,167	1,675	1,821	1,174	4,931
Algeria	683	-108	-83	(*)	172	125	149	428
Angola	51	-13	-10	31	40	(*)	-1	4
Benin	23	(*)	(*)	(*)	(*)	1	3	19
Botswana	27	4	(*)	(*)	(*)	....	1	22
Burkina Faso	(*)	(*)	(*)	(*)	(*)	....	....	1
Cameroon	100	8	-9	1	39	15	7	39
Central African Republic	7	(*)	4	....	....	....	....	3
Congo	7	(*)	....	7	(*)	1	....	....
Egypt	8,551	734	1,085	1,709	1,135	1,317	792	1,778
Ethiopia	113	-4	-3	-3	-3	-1	-3	130
Gabon	6	-2	-3	1	-6	-5	(*)	21
Ghana	188	-7	-5	-6	2	2	7	195
Guinea	94	-1	(*)	-3	5	3	4	87
Ivory Coast	86	1	-3	-5	9	26	-1	60

See footnotes at end of table.

TABLE A-5.—*Summary of U.S. Government net foreign credits, July 1, 1945, to Dec. 31, 1984, by area and country*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total (39½ years)	1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978
Africa—Continued								
Kenya	223	12	18	9	35	30	17	104
Liberia	194	21	22	20	26	5	−1	102
Madagascar	33	11	8	4	5	(*)	(*)	6
Malawi	35	2	(*)	(*)	2	1	2	28
Mali	5	(*)	(*)	(*)	(*)	1	(*)	4
Mauritania	5	....	....	....	1	....	(*)	4
Mauritius	14	−1	3	3	3	3	3	....
Morocco	971	252	61	25	20	18	13	582
Mozambique	30	2	−2	1	8	10	8	2
Niger	10	1	(*)	(*)	1	(*)	5	3
Nigeria	209	49	79	−5	7	−3	−4	86
Rwanda	1	−1	(*)	1	(*)	(*)	....	1
Senegal	34	(*)	6	4	3	3	4	14
Sierra Leone	39	3	5	2	(*)	2	(*)	27
Somalia	165	21	46	33	17	17	9	23
Sudan	401	79	40	120	62	23	19	59
Swaziland	11	1	3	(*)	(*)	4	(*)	3
Tanzania	123	2	6	7	5	7	11	86
Togo	2	(*)	(*)	(*)	(*)	(*)	1	1
Tunisia	709	72	110	109	14	48	1	355
Uganda	10	(*)	(*)	1	(*)	(*)	(*)	11
Zaire	1,047	181	26	71	52	137	89	491
Zambia	262	42	14	11	23	31	37	104
Zimbabwe	31	3	6	21	1	....	....	....
East African Common Services Organization	1	(*)	(*)	(*)	(*)	(*)	(*)	1
Other and unspecified Africa	47	(*)	−1	−3	−2	2	3	49
Total, Western Hemisphere	10,845	828	24	1,295	207	290	85	8,116
Antigua and Barbuda	2	(*)	1	....	....	....	....	1
Argentina	354	16	26	31	−25	−30	−29	366
Bahamas	2	....	(*)	−1	2	−2	−3	5
Barbados	12	(*)	8	1	1	1	(*)	2
Belize	5	(*)	5	....	(*)	(*)	(*)	(*)
Bermuda	(*)	....	....	....	....	−1	−1	2
Bolivia	375	8	12	13	−6	−3	10	340
Brazil	2,287	65	33	−139	−85	−32	−20	2,465
Cayman Islands	7	−1	4	(*)	3	−1	−2	4
Chile	499	−40	−58	−54	−94	−77	−200	1,022
Colombia	1,051	101	81	−11	−8	−2	−14	903
Costa Rica	368	70	151	41	7	1	6	92
Cuba	36	....	....	....	....	....	....	36
Dominican Republic	498	73	27	62	8	21	49	258
Ecuador	138	21	2	−12	−7	1	2	132
El Salvador	461	75	112	76	90	18	4	85
Grenada	1	1	....	....	....	....	....	....
Guatemala	164	4	15	9	6	5	7	118
Guyana	73	−2	(*)	2	3	1	2	67
Haiti	112	10	11	12	9	8	10	52
Honduras	309	33	44	70	29	10	21	102
Jamaica	527	134	103	100	53	7	15	115
Mexico	1,671	117	−587	1,070	146	168	87	670

See footnotes at end of table.

TABLE A-5.—*Summary of U.S. Government net foreign credits, July 1, 1945, to Dec. 31, 1984, by area and country*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total (39½ years)	Calendar years						July 1, 1945, to Dec. 31, 1978
		1984	1983	1982	1981	1980	1979	
Western Hemisphere—Continued								
Netherlands Antilles	25	(*)	1	20	3	−1	(*)	3
Nicaragua	259	(*)	(*)	1	7	73	12	166
Panama	206	6	5	6	−2	5	−3	189
Paraguay	43	−2	(*)	−2	−3	−4	−1	55
Peru	565	153	15	−31	−49	−28	65	439
St. Vincent and the Grenadines	1	....	(*)	(*)	....	1	....	....
Suriname	(*)	(*)	(*)	(*)	−1	−1	−1	3
Trinidad and Tobago	194	19	−19	11	51	89	29	13
Uruguay	89	−4	−5	10	−4	−2	−4	99
Venezuela	187	−37	6	−1	40	18	12	149
Central American Bank for Economic Integration	167	−4	3	(*)	−1	8	5	156
Central American Monetary Stabilization Fund	8	(*)	(*)	(*)	(*)	(*)	....	10
Caribbean Development Bank	115	1	14	14	26	22	15	22
Andean Development Corporation	21	−2	(*)	−2	4	12	4	6
Other and unspecified Western Hemisphere	16	11	18	3	4	5	11	−35
Total, Asia	30,308	1,487	1,854	1,503	1,917	2,052	1,664	19,831
Afghanistan	120	−4	−2	−2	−1	2	19	108
Bangladesh	1,013	94	39	85	64	43	76	612
Burma	25	−1	−1	−12	−3	(*)	−1	42
Cambodia	210	(*)	(*)	(*)	(*)	(*)	(*)	209
China: Unspecified[2]	70	....	....	....	....	....	....	70
China: Mainland[2]	41	20	9	12	....	....	....	....
Hong Kong	59	−14	−9	11	32	10	−5	35
India	3,539	−52	−82	−48	22	−2	−118	3,819
Indonesia	2,595	182	213	−23	−30	103	187	1,963
Iran	87	....	−306	....	....	....	−158	551
Iraq	25	−8	32	−1	−1	−1	−1	4
Israel	10,177	817	1,002	920	990	1,174	877	4,396
Japan and Ryukyu Islands	−349	−98	−15	−83	68	−49	−69	−103
Jordan	803	−33	52	142	239	133	62	208
Korea	4,186	208	448	337	192	97	227	2,678
Lebanon	130	2	27	−18	24	16	−3	83
Malaysia	91	−7	60	−7	−18	−11	−20	94
Nepal	3	(*)	(*)	(*)	(*)	(*)	(*)	3
Oman	78	12	3	21	29	13	....	....
Pakistan	3,580	314	265	71	48	38	17	2,827
Philippines	836	10	100	−9	5	−4	110	626
Saudi Arabia	−16	−2	−2	−1	6	4	−2	−17
Singapore	237	56	−34	−15	−14	25	93	126
Sri Lanka	464	71	45	38	22	42	33	213
Syria	246	1	21	23	10	15	73	104
Taiwan[2]	1,518	−147	−44	34	190	391	167	926
Thailand	414	65	24	25	17	15	100	167
Vietnam	102	(*)	(*)	(*)	(*)	(*)	(*)	100
Yemen (Sanaa)	17	1	11	1	3	(*)	(*)	1
Other and unspecified Asia	6	(*)	(*)	(*)	22	(*)	(*)	−15
Total, Oceania	356	−19	55	17	73	−5	−32	266
Australia	311	−5	75	37	81	(*)	−29	153

See footnotes at end of table.

TABLE A-5.—*Summary of U.S. Government net foreign credits, July 1, 1945, to Dec. 31, 1984, by area and country*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total (39½ years)	Calendar years						July 1, 1945, to Dec. 31, 1978
		1984	1983	1982	1981	1980	1979	
Oceania—Continued								
Fiji	4	–1	–1	–1	5	....	....	....
Nauru	(*)	....	–4	....	4	....	....	....
New Caledonia	1	....	....	....	....	....	....	1
New Zealand	40	–13	–15	–19	–18	–4	–3	112
Canada	670	98	97	91	47	95	–9	251
Other international organizations: United Nations	12	–4	–4	–4	–5	–5	–5	38

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*Less than $500,000 (plus or minus).

[1] For important qualifications affecting this table and for definitions of terms, see the explanatory note.

[2] Data presented for China and indicated "Unspecified" include transactions with official and private entities in the mainland areas in the period prior to 1950 and transactions whose status is currently under review, whereas data indicated "Taiwan" include transactions after 1949 with public and private entities on Taiwan. Data indicated for "Mainland" include transactions after 1978 with official and private entities in mainland areas.

NOTE.—Net credits do not include $3,682,954,000 representing settlements for postwar relief and other grants under agreements: see footnote 3 to table A-1 for additional details.

Source: Compiled by Bureau of Economic Analysis, U.S. Department of Commerce, from information made available by operating agencies.

TABLE A–5A.—*Summary of U.S. Government foreign credits utilized, July 1, 1945, to Dec. 31, 1984, by area and country*[1]

[In millions of dollars and equivalents]

Area and country	Total (39½ years)	Calendar years						July 1, 1945, to Dec. 31, 1978
		1984	1983	1982	1981	1980	1979	
Total, all areas	131,192	7,802	8,176	8,594	8,102	8,611	7,030	82,876
Total, Europe	32,397	1,081	1,216	892	1,674	1,973	1,692	23,868
Total, Western Europe	28,370	1,049	1,171	868	1,202	1,786	1,123	21,172
Austria	232	10	6	14	17	19	....	167
Belgium and Luxembourg	413	....	....	....	....	61	1	351
Cyprus	30	....	....	(*)	2	1	7	20
Denmark	208	....	....	9	17	40	17	125
Finland	279	3	32	(*)	18	11	1	214
France	2,515	....	22	13	59	17	....	2,405
Germany	524	....	....	....	....	....	....	524
Greece	1,969	87	127	62	88	103	152	1,350
Iceland	69	....	....	....	1	7	1	61
Ireland	248	4	5	14	46	....	....	180
Italy	1,743	33	....	7	154	221	1	1,327
Malta	6	....	....	....	....	....	....	6
Netherlands	600	....	....	....	....	....	....	600
Norway	573	15	28	9	....	....	16	505
Portugal	1,510	20	68	10	36	81	218	1,078
Spain	3,244	386	259	135	173	257	222	1,812
Sweden	87	....	....	....	4	9	....	74
Switzerland	101	....	....	....	....	....	....	101
Turkey	5,356	441	505	548	470	548	420	2,423
United Kingdom	6,284	28	84	29	49	337	24	5,733
Yugoslavia	1,968	22	35	14	64	73	31	1,729
European Atomic Energy Community	108	....	....	....	....	....	....	108
European Coal and Steel Community	100	....	....	....	....	....	....	100
North Atlantic Treaty Organization	9	....	....	....	....	....	....	9
Other and unspecified Western Europe	193	....	....	4	4	....	13	172
Total, other Europe	4,028	32	45	24	473	188	569	2,696
Czechoslovakia	16	....	(*)	3	....	....	....	13
Hungary	44	....	....	(*)	8	1	11	23
Poland	2,439	....	....	12	450	153	448	1,376
Romania	517	32	45	9	15	33	107	276
U.S.S.R.	1,012	....	....	....	....	....	4	1,008
Total, Africa	18,394	2,031	1,777	2,523	1,959	2,084	1,422	6,597
Algeria	1,052	2	1	40	208	150	166	485
Angola	99	....	3	44	41	(*)	....	11
Benin	23	....	....	....	(*)	1	3	19
Botswana	28	5	(*)	(*)	(*)	....	1	22
Burkina Faso	1	....	....	....	....	....	....	1
Cameroon	152	19	1	12	45	18	11	46
Central African Republic	10	1	7	....	....	....	....	3
Congo	9	(*)	....	8	....	1	....	(*)
Egypt	9,359	809	1,167	1,759	1,189	1,358	847	2,231
Ethiopia	201	....	....	....	1	2	12	185
Gabon	33	1	1	6	(*)	(*)	3	23
Ghana	346	1	2	8	13	14	15	293
Guinea	140	5	5	5	12	6	6	102

See footnotes at end of table.

TABLE A-5A.—*Summary of U.S. Government foreign credits utilized, July 1, 1945, to Dec. 31, 1984, by area and country*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total (39½ years)	Calendar years 1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978
Africa—Continued								
Ivory Coast	134	3	5	2	14	30	2	77
Kenya	315	27	31	23	45	40	27	121
Liberia	370	29	26	28	30	9	5	243
Libya	7	....	....	....	....	....	....	7
Madagascar	37	12	8	5	7	....	....	6
Malawi	37	3	(*)	....	2	1	2	28
Mali	6	(*)	(*)	(*)	(*)	1	(*)	4
Mauritania	6	....	....	....	1	....	(*)	4
Mauritius	15	(*)	3	3	3	3	3	....
Morocco	1,573	356	101	67	75	56	54	864
Mozambique	36	2	....	4	10	10	8	2
Niger	13	3	(*)	(*)	1	....	5	3
Nigeria	264	54	85	....	11	....	....	115
Rwanda	2	....	....	1	(*)	(*)	....	1
Senegal	58	2	10	13	7	7	4	15
Sierra Leone	60	3	5	3	2	3	1	42
Somalia	174	22	47	34	19	18	11	24
South Africa	154	....	....	....	....	....	....	154
Sudan	500	92	51	138	70	39	21	89
Swaziland	11	1	3	(*)	(*)	4	(*)	3
Tanzania	135	2	6	7	8	8	12	93
Togo	7	(*)	....	1	2	2	1	2
Tunisia	1,004	112	144	140	42	73	25	468
Uganda	15	....	1	3	....	....	....	11
Zaire	1,488	405	41	123	62	187	127	544
Zambia	340	57	16	21	34	41	44	128
Zimbabwe	32	4	6	21	1	....	....	....
East African Common Services Organization	3	....	....	....	....	....	....	3
Other and unspecified Africa	141	1	1	3	1	4	5	125
Total, Western Hemisphere	23,895	1,534	1,445	2,152	959	1,032	869	15,904
Antigua and Barbuda	3	(*)	1	....	....	....	....	2
Argentina	1,438	20	59	70	23	36	21	1,209
Bahamas	59	....	....	....	4	....	....	55
Barbados	13	(*)	8	1	1	1	....	2
Belize	5	(*)	5	....	....	....	(*)	(*)
Bermuda	28	....	....	....	....	....	....	28
Bolivia	571	18	34	19	8	28	35	430
Brazil	5,335	110	159	108	130	180	153	4,495
Cayman Islands	24	....	4	....	4	....	....	16
Chile	2,236	....	6	....	(*)	3	5	2,222
Colombia	1,856	152	128	37	41	42	26	1,429
Costa Rica	466	81	153	47	11	6	11	157
Cuba	40	....	....	....	....	....	....	40
Dominican Republic	730	81	42	81	33	45	69	379
Ecuador	351	35	11	4	7	12	14	267
El Salvador	523	82	118	79	94	21	8	122
Grenada	1	1	....	....	....	....	....	....
Guatemala	251	14	21	12	9	9	11	176
Guyana	90	(*)	2	3	6	4	4	70

See footnotes at end of table.

TABLE A-5A.—*Summary of U.S. Government foreign credits utilized, July 1, 1945, to Dec. 31, 1984, by area and country*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total (39½ years)	Calendar years 1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978
Western Hemisphere—Continued								
Haiti	146	14	13	14	12	10	12	72
Honduras	383	42	49	76	37	19	27	135
Jamaica	645	160	109	112	63	14	21	167
Mexico	4,526	474	365	1,315	236	248	154	1,733
Netherlands Antilles	28	....	1	20	3	....	....	3
Nicaragua	322	1	1	2	10	77	16	216
Panama	394	16	16	17	10	18	14	301
Paraguay	104	(*)	2	1	1	(*)	3	97
Peru	1,606	183	66	46	50	75	157	1,030
St. Vincent and the Grenadines	1	....	....	(*)	....	1	....	....
Suriname	7	....	....	....	....	....	....	7
Trinidad and Tobago	274	33	....	22	54	93	32	40
Uruguay	174	(*)	(*)	14	3	3	4	150
Venezuela	830	2	29	31	73	38	36	622
Central American Bank for Economic Integration	197	....	6	4	2	10	8	167
Central American Monetary Stabilization Fund	10	....	....	....	....	....	....	10
Caribbean Development Bank	116	2	14	15	26	22	15	22
Andean Development Corporation	27	....	2	....	4	12	4	6
Other and unspecified Western Hemisphere	85	12	19	4	4	5	12	29
Total, Asia	53,353	2,957	3,454	2,807	3,297	3,353	3,017	34,468
Afghanistan	183	(*)	(*)	(*)	1	2	21	159
Bangladesh	1,311	130	95	118	77	99	88	704
Brunei	20	....	....	....	....	....	....	20
Burma	61	....	....	....	....	....	....	61
Cambodia	289	(*)	(*)	(*)	(*)	(*)	(*)	288
China: Unspecified[2]	168	....	....	....	....	....	....	168
China: Mainland[2]	41	20	9	12	....	....	....	....
Hong Kong	119	....	5	17	39	13	....	44
India	7,839	71	36	67	151	100	1	7,414
Indonesia	3,834	329	365	114	127	150	244	2,505
Iran	1,905	....	....	....	....	....	(*)	1,905
Iraq	63	4	33	....	....	....	....	27
Israel	12,716	960	1,173	1,113	1,212	1,394	1,091	5,773
Japan and Ryukyu Islands	3,477	....	76	16	140	79	25	3,141
Jordan	1,234	56	108	204	286	188	83	311
Korea	7,186	503	693	640	602	496	584	3,667
Kuwait	50	....	....	....	....	....	....	50
Lebanon	304	39	55	10	31	21	5	142
Malaysia	330	12	77	12	....	12	1	216
Nepal	4	(*)	....	....	....	....	....	4
Oman	112	27	13	28	31	13	....	....
Pakistan	4,668	382	329	127	130	106	102	3,494
Philippines	1,821	81	142	42	60	54	178	1,264
Saudi Arabia	280	....	....	....	6	4	....	270
Singapore	403	112	....	....	....	45	110	136
Sri Lanka	539	77	50	43	26	46	38	258
Syria	282	1	26	27	14	20	76	118
Taiwan[2]	2,768	40	100	160	288	459	240	1,481

See footnotes at end of table.

TABLE A-5A.—*Summary of U.S. Government foreign credits utilized, July 1, 1945, to Dec. 31, 1984, by area and country*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total (39½ years)	Calendar years						July 1, 1945, to Dec. 31, 1978
		1984	1983	1982	1981	1980	1979	
Asia—Continued								
Thailand	740	110	59	56	51	52	129	283
Vietnam	561	(*)	(*)	(*)	(*)	(*)	(*)	559
Yemen (Sanaa)	21	5	11	1	3	(*)	(*)	1
Other and unspecified Asia	24	....	....	....	22	....	....	2
Total, Oceania	1,709	40	120	63	106	26	11	1,342
Australia	1,432	40	120	63	96	21	10	1,081
Fiji	5	....	....	....	5	....	....	....
Nauru	4	....	....	....	4	....	....	....
New Caledonia	2	....	....	....	....	....	....	2
New Zealand	234	....	....	....	1	5	1	228
Papua New Guinea	30	....	....	....	....	....	....	30
Trust Territory of the Pacific Islands	1	....	....	....	....	....	....	1
Canada	1,301	158	164	155	107	143	19	555
Other international organizations: United Nations	141	....	....	....	....	....	....	141

*Less than $500,000.

[1] For important qualifications affecting this table and for definitions of terms, see the explanatory note.

[2] Data presented for China and indicated "Unspecified" include transactions with official and private entities in the mainland areas in the period prior to 1950 and transactions whose status is currently under review, whereas data indicated "Taiwan" include transactions after 1949 with public and private entities on Taiwan. Data indicated for "Mainland" include transactions after 1978 with official and private entities in mainland areas.

NOTE.—New credits have not been adjusted for $3,682,954,000, representing settlements for postwar relief and other grants under agreements; see footnote 3 to table A-1 for additional details.

Source: Compiled by Bureau of Economic Analysis, U.S. Department of Commerce, from information made available by operating agencies.

TABLE A-5B.—*Summary of U.S. Government foreign credit repayments, July 1, 1945, to Dec. 31, 1984, by area and country*[1]

[In millions of dollars and equivalents]

Area and country	Total (39½ years)	Calendar years						July 1, 1945, to Dec. 31, 1978
		1984	1983	1982	1981	1980	1979	
Total, all areas	64,614	4,057	4,609	3,817	3,980	3,963	3,759	40,430
Total, Europe	22,562	1,089	1,095	1,185	1,467	1,574	1,297	14,856
Total, Western Europe	19,781	984	1,030	1,130	1,123	1,120	958	13,436
Austria	166	7	6	6	5	5	5	132
Belgium and Luxembourg	352	17	17	15	11	9	8	276
Cyprus	26	1	1	2	4	5	5	8
Denmark	165	12	13	12	14	25	20	69
Finland	225	14	12	7	2	2	4	185
France	2,726	17	16	17	24	47	48	2,556
Germany	1,520	5	6	8	12	14	14	1,460
Greece	1,290	104	119	137	155	155	128	492
Iceland	56	1	1	1	2	2	5	44
Ireland	181	7	12	6	2	(*)	5	148
Italy	1,408	66	40	46	51	42	30	1,133
Malta	1	....	....	....	....	....	....	1
Netherlands	673	14	20	26	33	27	29	523
Norway	512	19	40	35	36	52	60	272
Portugal	1,023	70	68	113	176	206	147	243
Spain	1,670	185	188	166	136	111	92	793
Sweden	65	3	5	4	5	4	3	42
Switzerland	92	14	14	17	14	9	6	18
Turkey	1,648	242	212	203	195	177	126	493
United Kingdom	4,563	162	203	237	174	159	147	3,482
Yugoslavia	1,037	6	15	51	56	51	54	802
European Atomic Energy Community	106	4	5	5	5	5	5	78
European Coal and Steel Community	100	....	....	....	....	....	7	93
North Atlantic Treaty Organization	9	....	....	....	....	....	....	9
Other and unspecified Western Europe	167	15	18	16	12	12	11	84
Total, other Europe	2,781	105	64	55	344	454	339	1,420
Czechoslovakia	16	3	2	3	....	....	....	8
Hungary	40	2	2	4	5	5	3	18
Poland	1,476	10	-1	11	259	378	295	524
Romania	416	51	41	25	63	57	31	148
U.S.S.R.	833	39	21	11	17	14	10	721
Total, Africa	3,843	669	358	356	283	263	248	1,666
Algeria	369	110	84	40	36	25	17	57
Angola	48	13	13	13	1	(*)	1	7
Botswana	1	1	(*)	(*)	....	....	....	....
Burkina Faso	1	(*)	(*)	(*)	(*)	....	....	....
Cameroon	52	11	10	11	6	3	4	7
Central African Republic	3	1	2	....	....	....	....	....
Congo	1	(*)	....	(*)	(*)	....	....	(*)
Egypt	809	74	82	51	54	41	54	452
Ethiopia	88	4	3	3	4	4	15	55
Gabon	27	3	4	5	6	5	3	2
Ghana	157	8	6	14	11	12	8	98
Guinea	45	6	5	7	7	3	2	15
Ivory Coast	48	2	8	8	6	4	4	17

See footnotes at end of table.

TABLE A-5B.—*Summary of U.S. Government foreign credit repayments, July 1, 1945, to Dec. 31, 1984, by area and country*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total (39½ years)	Calendar years 1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978
Africa—Continued								
Kenya	92	16	13	14	10	11	10	18
Liberia	176	8	4	8	5	4	6	141
Libya	7	....	....	....	....	....	....	7
Madagascar	4	1	(*)	(*)	2	(*)	(*)	(*)
Malawi	1	1	(*)	(*)	(*)	(*)	(*)	(*)
Mali	1	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Mauritania	1	....	....	....	....	....	1	1
Mauritius	2	1	1	(*)	(*)	....	....	....
Morocco	602	104	40	42	55	37	41	282
Mozambique	6	....	2	3	1	....	....	(*)
Niger	3	2	1	(*)	(*)	(*)	(*)	(*)
Nigeria	56	5	5	5	4	3	4	29
Rwanda	1	1	(*)	(*)	(*)	....	....	....
Senegal	24	2	5	8	4	4	(*)	1
Sierra Leone	20	....	....	1	2	1	1	15
Somalia	9	1	2	(*)	2	1	2	1
South Africa	154	....	....	....	....	....	(*)	154
Sudan	99	13	12	17	8	16	2	30
Tanzania	12	....	....	1	3	1	1	7
Togo	5	(*)	(*)	(*)	1	2	(*)	1
Tunisia	295	40	34	31	28	25	24	113
Uganda	5	(*)	1	2	(*)	(*)	(*)	1
Zaire	441	224	15	52	10	50	38	53
Zambia	79	15	1	10	12	9	8	24
Zimbabwe	1	1	(*)	....	....	....	....	....
East African Common Services Organization	2	(*)	(*)	(*)	(*)	(*)	(*)	1
Other and unspecified Africa	95	1	3	6	3	2	2	76
Total, Western Hemisphere	13,050	706	1,421	857	752	742	784	7,788
Antigua and Barbuda	1	....	....	....	....	....	....	1
Argentina	1,084	4	33	39	49	66	50	843
Bahamas	57	....	(*)	1	2	2	3	49
Barbados	2	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Bermuda	28	....	....	....	....	1	1	26
Bolivia	197	10	22	6	14	31	24	90
Brazil	3,047	45	126	247	215	212	173	2,030
Cayman Islands	17	1	1	(*)	1	1	2	12
Chile	1,737	40	64	54	94	80	205	1,200
Colombia	806	52	47	48	49	44	40	526
Costa Rica	98	11	2	5	4	5	5	65
Cuba	3	....	....	....	....	....	....	3
Dominican Republic	233	7	16	19	25	24	20	121
Ecuador	213	15	10	16	14	11	12	135
El Salvador	62	6	6	4	4	3	4	36
Guatemala	87	10	6	3	3	4	4	58
Guyana	17	3	3	1	3	3	2	2
Haiti	34	3	3	2	2	2	2	20
Honduras	74	9	5	5	8	8	6	32
Jamaica	119	26	6	12	10	7	6	51
Mexico	2,856	357	953	245	90	80	68	1,063

See footnotes at end of table.

TABLE A-5B.—*Summary of U.S. Government foreign credit repayments, July 1, 1945, to Dec. 31, 1984, by area and country*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total (39½ years)	Calendar years 1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978
Western Hemisphere—Continued								
Netherlands Antilles	3	(*)	1	1	1	1	(*)	(*)
Nicaragua	63	1	1	1	3	4	4	50
Panama	188	10	10	12	12	14	17	113
Paraguay	60	2	3	3	5	3	3	41
Peru	1,041	29	51	77	98	103	92	591
Suriname	7	(*)	(*)	(*)	1	1	1	4
Trinidad and Tobago	80	15	19	11	4	4	3	26
Uruguay	86	4	6	4	7	6	8	51
Venezuela	644	39	23	33	33	20	24	473
Central American Bank for Economic Integration	30	4	4	4	3	2	2	11
Central American Monetary Stabilization Fund	2	(*)	(*)	(*)	(*)	(*)	....	....
Caribbean Development Bank	1	1	(*)	(*)	....	....	....	....
Andean Development Corporation	6	2	2	2	....	....	....	....
Other and unspecified Western Hemisphere	69	1	1	1	1	(*)	1	64
Total, Asia	23,045	1,471	1,600	1,304	1,380	1,301	1,353	14,636
Afghanistan	63	4	2	2	2	(*)	2	51
Bangladesh	298	35	56	33	13	55	13	92
Brunei	20	....	....	....	....	....	....	20
Burma	36	1	1	12	3	(*)	1	18
Cambodia	79	....	....	....	....	....	....	79
China: Unspecified[2]	98	....	....	....	....	....	....	98
Hong Kong	59	14	15	6	7	4	5	9
India	4,300	122	118	114	129	102	120	3,595
Indonesia	1,239	146	151	137	157	47	58	542
Iran	1,818	....	306	....	....	....	158	1,355
Iraq	38	11	(*)	1	1	1	1	23
Israel	2,539	143	171	193	221	220	213	1,377
Japan and Ryukyu Islands	3,826	98	91	99	72	128	94	3,244
Jordan	431	88	56	61	47	55	21	103
Korea	3,000	295	246	303	410	400	357	989
Kuwait	50	....	....	....	....	....	....	50
Lebanon	174	38	28	27	7	6	8	60
Malaysia	239	19	17	19	18	24	21	122
Nepal	2	(*)	(*)	(*)	(*)	(*)	(*)	1
Oman	34	15	10	7	2	....	....	....
Pakistan	1,088	67	64	56	81	68	85	667
Philippines	985	71	42	51	56	58	69	638
Saudi Arabia	296	2	2	1	1	....	2	287
Singapore	166	56	34	15	14	20	17	10
Sri Lanka	74	6	5	5	4	4	4	45
Syria	36	(*)	5	4	4	5	3	14
Taiwan	1,250	187	144	127	98	68	73	555
Thailand[3]	326	45	35	31	34	36	29	116
Vietnam	459	....	....	....	....	....	....	459
Yemen (Sanaa)	4	4	....	....	....	....	....	....
Other and unspecified Asia	18	(*)	(*)	(*)	(*)	(*)	(*)	17
Total, Oceania	1,353	59	65	46	33	30	43	1,076
Australia	1,121	46	45	27	15	21	40	928

See footnotes at end of table.

TABLE A-5B.—*Summary of U.S. Government foreign credit repayments, July 1, 1945, to Dec. 31, 1984, by area and country*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total (39½ years)	Calendar years 1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978
Oceania—Continued								
Fiji	2	1	1	1	....	....	....	....
Nauru	4	....	4	....	....	....	....	....
New Zealand	194	13	15	19	18	9	4	116
Papua New Guinea	31	....	....	....	....	....	....	31
Trust Territory of the Pacific Islands	1	....	....	....	....	....	....	1
Other and unspecified Oceania	(*)	....	....	....	....	....	....	(*)
Canada	632	60	67	65	60	47	28	304
Other international organizations: United Nations	129	4	4	4	5	5	5	103

*Less than $500,000.

[1] For important qualifications affecting this table and for definitions of terms, see the explanatory note. Repayments include collections for sale of all or fractional parts of notes and other evidences of indebtedness to foreign participants either in the country of borrower or a 3d country. Such collections are recorded in this *Report* against the country of the borrower.

[2] Data presented for China and indicated "Unspecified" include transactions with official and private entities in the mainland areas in the period prior to 1950 and transactions whose status is currently under review, whereas data indicated "Taiwan" include transactions after 1949 with public and private entities on Taiwan.

Source: Compiled by Bureau of Economic Analysis, U.S. Department of Commerce, from information made available by operating agencies.

TABLE A-6.—*Summary of U.S. Government foreign assistance through net accumulation of foreign currency claims, July 1, 1945, to Dec. 31, 1984, by area and country*[1]

[In millions of dollars and equivalents]

Area and country	Total (39½ years)	Calendar years 1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978[2]
Total, all areas	1,760	9	–4	1	–15	–71	–69	1,909
Total, Europe	569	(*)	(*)	25	47	–17	–25	538
Total, Western Europe	311	1	1	–3	2	(*)	–1	309
Finland	7	(*)	(*)	(*)	(*)	(*)	(*)	7
France	2	....	....	....	....	....	....	2
Germany	[3]–2	....	(*)	....	(*)	....	(*)	–2
Greece	(*)	1	–1	(*) (*)	(*)	(*)	(*)	(*)
Iceland	1	....	(*)	(*)	1	(*)	(*)	(*)
Spain	84	1	1	–2	(*)	(*)	(*)	84
Turkey	63	(*)	(*)	(*)	(*)	(*)	(*)	63
Yugoslavia	154	(*)	1	–1	1	1	–1	154
Other Western Europe	(*)	....	(*)	(*)	(*)	(*)	(*)	(*)
Other Europe: Poland	258	–2	–1	28	45	–18	–24	229
Total, Africa	176	4	4	–44	–43	–42	–34	331
Egypt	135	4	2	–43	–42	–35	–29	278
Ghana	5	(*)	1	(*)	–1	1	1	3
Guinea	11	1	1	–1	4	–1	–1	7
Morocco	–1	(*)	(*)	–1	–1	–1	–1	4
Sudan	1	(*)	(*)	(*)	(*)	(*)	(*)	2
Tunisia	1	(*)	(*)	–1	–2	–6	–3	14
Zaire	24	(*)	–1	1	(*)	1	(*)	23
Other Africa	(*)	(*)	(*)	(*)	(*)	(*)	(*)	1
Total, Western Hemisphere	267	2	1	(*)	–1	–1	2	264
Argentina	6	....	....	....	....	....	....	6
Bolivia	2	(*)	(*)	(*)	(*)	(*)	(*)	1
Brazil	194	....	(*)	(*)	(*)	(*)	(*)	194
Chile	26	2	1	(*)	–1	–2	2	25
Colombia	16	(*)	(*)	(*)	(*)	(*)	(*)	16
Ecuador	1	....	....	....	....	....	....	1
Paraguay	1(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Peru	3	(*)	(*)	(*)	(*)	(*)	(*)	2
Uruguay	18	....	....	....	(*)	....	....	18
Other Western Hemisphere	(*)	(*)	(*)	....	....	....	(*)	(*)
Total, Asia	748	2	–9	20	–18	–10	–13	776
Afghanistan	4	....	(*)	(*)	(*)	....	(*)	3
Burma	4	....	–16	11	1	(*)	1	7
Cambodia	3	....	....	....	....	....	....	3
Hong Kong	1	....	....	....	....	....	....	1
India	451	–7	4	4	(*)	2	3	445
Indonesia	224	1	(*)	(*)	–1	–3	1	227
Iran	[3]–1	....	....	....	....	....	(*)	–1
Israel	37	(*)	(*)	(*)	(*)	(*)	(*)	36
Korea	20	(*)	(*)	(*)	(*)	2	(*)	18
Nepal	2	(*)	–1	–1	–3	–3	–3	12
Pakistan	127	2	8	7	–15	–7	–13	145

See footnotes at end of table.

TABLE A-6.—*Summary of U.S. Government foreign assistance through net accumulation of foreign currency claims, July 1, 1945, to Dec. 31, 1984, by area and country*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total (39½ years)	Calendar years						July 1, 1945, to Dec. 31, 1978[2]
		1984	1983	1982	1981	1980	1979	
Asia—Continued								
Philippines	10	4	–4	(*)	(*)	(*)	(*)	10
Sri Lanka	3	(*)	(*)	(*)	....	(*)	(*)	3
Syria	3	(*)	(*)	–1	(*)	–2	–2	9
Taiwan	5	3	(*)	(*)	(*)	(*)	(*)	2
Vietnam	[3]–143	....	....	....	....	....	....	–143
Other Asia	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Oceania: Australia	(*)	....	....	....	....	....	....	(*)
Canada	(*)	....	....	....	....	....	....	(*)

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*Less than $500,000 (plus or minus).

[1] For important qualifications affecting this table and for definitions of terms, see the explanatory note.

[2] Activity under these programs did not begin until calendar year 1953.

[3] Net assistance is recorded minus (–), reflecting significant gains resulting from disbursement of foreign currency at U.S. dollar equivalent values in excess of values at which foreign currency was acquired.

Source: Compiled by Bureau of Economic Analysis, U.S. Department of Commerce from information made available by operating agencies.

TABLE A-7.—*Summary of U.S. Government foreign credits, July 1, 1940, to Dec. 31, 1984, by major program*[1]

[In millions of dollars and equivalents]

[Numbers in brackets indicate table in which data are available by geographical area; † indicates that data are also shown for 6 recent years.]

	Total	By major program						
		Under Export-Import Bank Act[2]	Under Foreign Assistance Act and related programs		Under Agricultural Trade Development and Assistance Act		Lend-lease, surplus property, and settlements for grants and war accounts	Other credits
			Financing of military purchases	Other	Loans of foreign currencies	Long-term dollar credits		
Gross authorizations by U.S. Government agencies	165,980	[3]62,539	31,149	31,514	6,306	14,005	6,304	14,162
Deduct: Authorizations assumed by participants:								
Other U.S. Government agencies[4]	671	62	609	......	......	......	......	......
Other	616	616	......	......	......	......	......	......
Deduct: Reimbursements by participants:[5]								
Other U.S. Government agencies	16	16	......	......	......	......	......	......
Private entities	594	594	......	......	......	......	......	......
Foreign governments and official institutions[6]	152	152	......	......	......	......	......	......
Add: Export-Import Bank credits utilized for refunding indebtedness outstanding on Export-Import Bank loans	1,468	1,468	......	......	......	......	......	......
Equals: Adjusted authorizations	165,400	62,568	30,540	31,514	6,306	14,005	6,304	14,162
Deduct: Authorizations canceled, expired, and otherwise terminated without utilization	16,769	11,829	49	2,201	682	1,039	607	361
Deduct: Disbursements by private enterprises at Export-Import Bank risk[7]	495	495	......	......	......	......	......	......
Deduct: Credits unutilized as of December 31, 1984 [A-9]	[8]12,184	4,576	4,949	2,122	3	451	......	83
Equals: Credits utilized	135,952	45,668	25,542	27,191	5,621	12,515	5,697	13,718
During World War II	1,077	311	......	......	......	......	349	417
During postwar period[9] [A-5A†, A-10]	[10]134,875	45,357	25,542	27,191	5,621	12,515	[10]5,349	13,301
Add: Increased valuation of lend-lease silver credits repaid by cash collections	9	......	......	......	......	......	9	......
Deduct: Adjustment to outstanding principal for discount allowance for extraordinary prepayment	32	......	......	......	25	......	7	......
Deduct: Principal charged off as uncollectable[11]	75	46	......	20	6	......	......	3
Add: Net adjustment to outstanding principal by revaluation of indebtedness repayable in foreign currencies (exchange risk (loss (–)))[11]	–1,857	......	......	–57	–1,793	......	–8	(*)
Deduct: Principal collections	64,956	28,684	6,832	8,015	3,292	3,278	4,531	10,325
During World War II	342	[3]176	......	......	......	......	46	120
During postwar period[9] [A-5B†, A-10]	64,614	28,508	6,832	8,015	3,292	3,278	4,485	10,205
Equals: Principal outstanding indebtedness as of December 31, 1984 [A-8]	69,040	16,939	18,710	19,099	504	9,237	1,161	3,390

See footnotes at end of table.

Memorandum:								
Principal outstanding as of June 30, 1945[12]	735	135	.....	.....	.....	.....	303	297
Interest collected	35,458	14,036	7,215	6,243	1,610	1,774	1,219	3,361
During World War II	70	[3]36	.....	.....	.....	.....	.....	33
During postwar period[9] [A–10, A–11†]	35,388	14,000	7,215	6,243	1,610	1,774	1,219	3,328
Total principal and interest collected	100,414	42,720	14,047	14,258	4,902	5,052	5,750	13,686

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*Less than $500,000 (plus or minus).

[1] For important qualifications affecting this table and for definitions of terms, see the explanatory note.

[2] Includes Export-Import Bank activity during the period from Feb. 12, 1934, through June 30, 1940, as follows: Gross authorized, $436,132,000; terminated, $118,201,000; disbursed by others at Export-Import Bank risk, $66,701,000; utilized $92,935,000; principal collected $42,006,000; interest and commissions collected, $5,760,000; outstanding on Government disbursements, as of June 30, 1940, $50,929,000; outstanding at Government risk on others' disbursements as of June 30, 1940, $47,529,000.

[3] Gross authorizations as published by the Export-Import Bank total $62,730,830,000. This amount has been adjusted for credit extended to domestic institutions ($201,530,000), credits purchased from and resold to the Defense Department ($155,237,000), and certain minor modifications to achieve consistency over longer periods in Export-Import Bank reporting.

[4] The participation of any other Government agency in loans of the Export-Import Bank is subtracted as an adjustment entry from gross authorizations and from disbursements of the Bank, but is included against such other agency in this presentation (except that participation of one Government agency in financing loans of the Bank in the amount of $7,000,000 and participations in individual loans sold to the Secretary of Treasury Deposit Accounts related to foreign government defense procurement in the United States in the amount of $312,055,000 are recorded as Bank transactions only). Conversely, the participation of the Bank in credits extended by the Defense Department is subtracted as an adjustment entry from gross authorizations and from disbursements of that Department under the Foreign Assistance Act programs, but is included against the Bank in this presentation.

[5] "Reimbursements by participants" represent recovery of U.S. Government funds (1) through sale to private U.S. entities of fractions of notes acquired previously for the Export-Import Bank's portfolio, or (2) where the Bank acts as an agent for the participating private domestic or foreign entity, or a foreign government or official institution, in *current* disbursement of a loan. These reimbursements are subtracted from gross authorizations of the Bank as an adjustment entry, and are also incorporated as negative disbursements of the Bank in this presentation.

[6] Reimbursements through sales by the Export-Import Bank to foreign participants, either in the country of the borrower or a 3d country, are not included as reimbursement by participants, but are included as principal collections, in the amount of $914,779,000. Reimbursements through sales to foreign participants by other Government agencies are also included as principal collections.

[7] U.S. commercial banks and other private U.S. entities participated in certain loans of the Export-Import Bank under agreements which specified that at the option of either party the Bank would reimburse the private participant for the unpaid principal amount of the loan with accrued interest, or which specified that the Bank would reimburse the disbursing participant to the extent of all or part of the principal in default. Disbursements by the participants under these guarantees were charged to the amounts authorized and thus decreased the amount reported for utilized. In event of repurchase by the Bank, the amounts were incorporated—in the period of the repurchase—as positive entries for utilized and in "Disbursements by private enterprises at Export-Import Bank risk" as negative entries. Nothing remained outstanding at Bank risk on the participations after Oct. 31, 1963.

[8] Includes unutilized portion of debt reorganization agreements that have entered into force by Dec. 31, 1984, for principal and interest installments not originally due as of that date. Thus, estimates of "active credits" obtained by the addition of (1) credits unutilized as of Dec. 31, 1984, and (2) principal outstanding as of Dec. 31, 1984, include a moderate overstatement to the extent of the future principal installments that agreements in force stipulate are to be refinanced or rescheduled.

[9] Includes transactions for lend-lease and prior grants converted into credits occurring after Sept. 2, 1945 (V–J Day); postwar period for data for all other categories begins with July 1, 1945.

[10] Includes $3,682,954,000 representing settlements for postwar relief and other grants under agreements providing for the repayment of principal. This amount is not included in statistics on new credits in tables A–1, A–2, and A–5A. See footnote 3 to table A–1.

[11] Table A–10 includes data by geographical area and country for exchange adjustments and principal charged off as uncollectable, added together.

[12] As of V-J Day (Sept. 2, 1945) for lend-lease transactions.

Source: Compiled by the Bureau of Economic Analysis, U.S. Department of Commerce, from information made available by operating agencies.

TABLE A-8.—*Outstanding indebtedness of foreign countries on U.S. Government credits, as of Dec. 31, 1984, by area, country, and major program*[1]

[In millions of dollars and equivalents]

Area and country	Total	Under Export-Import Bank Act	Under Foreign Assistance Act and related programs		Under Agricultural Trade Development and Assistance Act		Lend-lease, surplus property, and settlements for grants and war accounts	Other
			Financing of military purchases	Other	Loans of foreign currencies	Long-term dollar credits		
Total, all areas	69,040	16,939	18,710	19,099	504	9,237	1,161	3,390
Total, Europe	12,496	3,439	2,967	1,882	148	252	975	2,834
Total, Western Europe	10,408	2,789	2,967	1,875	148	205	301	2,123
Austria	66	50			15			
Belgium and Luxembourg	60	60						
Cyprus	3	3			(*)			
Denmark	43	43		(*)				
Finland	77	66			11			
France	140	140	(*)					
Germany	3	2					2	
Greece	668	55	503	85	(*)			(*)
Iceland	9	8		(*)	(*)	1		
Ireland	68	68						
Italy	335	335						
Liechtenstein	3	3						
Malta	5			5				
Netherlands	11	11						
Norway	66	66		(*)				
Portugal	487	74	15	244	1	145		8
Spain	1,550	587	866	11	86			(*)
Sweden	21	21						
Switzerland	9	9						
Turkey	3,559	232	1,582	1,499	2	59		185
United Kingdom	2,570	341		9			299	1,921
Yugoslavia	629	593		21	7		(*)	8
European Atomic Energy Community	2							2
Unspecified Western Europe	23	23						
Total, other Europe	2,088	649		7		47	674	711
Hungary	4	4						
Poland	966	242		7		47		670
Romania	101	61						41
U.S.S.R	1,017	343					674	
Total, Africa	14,286	2,093	4,730	3,886	148	3,112	15	301
Algeria	683	682				1		
Angola	51	51						
Benin	23			23				
Botswana	27		5	22				
Cameroon	100	68	5	28				
Central African Republic	7	7						

See footnotes at end of table.

TABLE A-8.—*Outstanding indebtedness of foreign countries on U.S. Government credits, as of Dec. 31, 1984, by area, country, and major program*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total	Under Export-Import Bank Act	Under Foreign Assistance Act and related programs: Financing of military purchases	Under Foreign Assistance Act and related programs: Other	Under Agricultural Trade Development and Assistance Act: Loans of foreign currencies	Under Agricultural Trade Development and Assistance Act: Long-term dollar credits	Lend-lease, surplus property, and settlements for grants and war accounts	Other
Africa—Continued								
Congo	7	6				2		
Egypt	8,372	73	3,765	2,487	91	1,879	2	74
Ethiopia	117	16	4	95	(*)	3		
Gabon	6	5	1					
Ghana	170			105	(*)	64		
Guinea	95	5		5	13	72		
Ivory Coast	86	80		6	(*)			
Kenya	225	6	76	81		61		
Liberia	198	4	23	91		67	13	
Madagascar	33	3		5		25		
Malawi	35			33		2		
Mali	5			5	(*)			
Mauritania	5	5						
Mauritius	14					14		
Morocco	949	83	241	241	16	217		152
Mozambique	30	16				14		
Niger	10	5	2	3				
Nigeria	209	142		66				
Rwanda	1		1	(*)				
Senegal	33	3	9	1	1	20		
Sierra Leone	39	23				16		
Somalia	165		58	12		95		
Sudan	391	26	136	13	1	179		35
Swaziland	11			11				
Tanzania	124	14		62		49		
Togo	2	2						
Tunisia	693	82	292	161	26	107		25
Uganda	12	1		10	(*)			
Zaire	1,026	607	112	138	(*)	153		16
Zambia	262	48		141		72		
Zimbabwe	31	28		3				
East African Common Services Organization	1					1		
Unspecified Africa	38	2		36				
Total, Western Hemisphere	10,656	4,023	228	5,263	7	962	7	166
Antigua and Barbuda	2	1		1				
Argentina	339	279	(*)	60				
Bahamas	2	2						
Barbados	12	4		7				
Belize	5			5				
Bolivia	356	31	4	236	(*)	85		(*)
Brazil	2,109	1,009	(*)	1,036	(*)	51		12
Cayman Islands	7	7						
Chile	480	19	(*)	392	5	61		4
Colombia	1,030	354	14	647	(*)	14		(*)

See footnotes at end of table.

TABLE A-8.—*Outstanding indebtedness of foreign countries on U.S. Government credits, as of Dec. 31, 1984, by area, country, and major program*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total	Under Export-Import Bank Act	Under Foreign Assistance Act and related programs: Financing of military purchases	Under Foreign Assistance Act and related programs: Other	Under Agricultural Trade Development and Assistance Act: Loans of foreign currencies	Under Agricultural Trade Development and Assistance Act: Long-term dollar credits	Lend-lease, surplus property, and settlements for grants and war accounts	Other
Western Hemisphere—Continued								
Costa Rica	369	20		283		66		(*)
Cuba	36	36						
Dominican Republic	500	65	14	291		129		(*)
Ecuador	143	19	23	97		4		(*)
El Salvador	462	3	87	239		134		
Grenada	1			1				
Guatemala	164	10		147		7		(*)
Guyana	73	2		64		6		
Haiti	120	13	1	21		85		(*)
Honduras	309	6	38	226		39		(*)
Jamaica	527	45	3	349		112		18
Mexico	1,667	1,594		37				37
Netherlands Antilles	25	25						
Nicaragua	262	20	(*)	224		17		
Panama	206	10	14	181				
Paraguay	46	(*)	(*)	42	1	3		
Peru	558	55	30	241	1	136		95
St. Vincent and the Grenadines	1			1				
Trinidad and Tobago	193	193		(*)				
Uruguay	74	14	(*)	49	(*)	10		(*)
Venezuela	188	176	(*)	12				(*)
Central American Bank for Economic Integration	167			167				
Central American Monetary Stabilization Fund	8			8				
Caribbean Development Bank	115			115				
Andean Development Corporation	21	11		10				
Other Western Hemisphere	(*)			(*)				
Unspecified Western Hemisphere	80			73			7	
Total, Asia	30,558	6,354	10,785	8,067	202	4,911	164	76
Afghanistan	119	22		73	1	23		
Bangladesh	1,101			301	(*)	782		18
Burma	25			23	2			
Cambodia	210					210		
China: Unspecified[3]	116						116	
China: Mainland[2]	67	67						
Hong Kong	59	59						
India	3,170	140	1	2,446	3	581		
Indonesia	2,580	568	138	736		1,116	24	-3

See footnotes at end of table.

TABLE A–8.—*Outstanding indebtedness of foreign countries on U.S. Government credits, as of Dec. 31, 1984, by area, country, and major program*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total	Under Export-Import Bank Act	Under Foreign Assistance Act and related programs		Under Agricultural Trade Development and Assistance Act		Lend-lease, surplus property, and settlements for grants and war accounts	Other
			Financing of military purchases	Other	Loans of foreign currencies	Long-term dollar credits		
Asia—Continued								
Iran	92			25	17	27	23	(*)
Iraq	25				(*)			25
Israel	10,108	293	8,366	1,305	3	126		14
Japan	425	421			(*)			4
Jordan	803	254	319	195	2	34		
Korea	4,182	2,202	855	387		731		6
Lebanon	130		116			14		
Malaysia	91	72	16	3				
Nepal	1			(*)	1			
Oman	78		75	2				1
Pakistan	3,305	58	560	1,726	143	817		
Philippines	819	357	110	291	1	60	(*)	
Saudi Arabia	3	3						
Singapore	237	237						
Sri Lanka	460	8		172	4	276		
Syria	246			183	9	54		
Taiwan[2]	1,549	1,449	11	72	16	1		
Thailand	414	121	217	62		12		2
Vietnam	102			59		43		
Yemen (Sanaa)	17			7		3		8
Other Asia	(*)			(*)				
Unspecified Asia	22	22						
Total, Oceania	354	354						
Australia	310	310						
Fiji	4	4						
New Zealand	40	40						
Canada	676	676						
Other international organizations: United Nations	12							12
Unspecified, all areas	1		(*)	1				

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*Less than $500,000.

[1] For important qualifications affecting this table and for definitions of terms, see the explanatory note. Includes only indebtedness arising from credits extended since 1934. Includes estimates for the U.S. dollar equivalent of indebtedness denominated in other than dollars. See table A–8A for indebtedness repayable in U.S. dollars (totaling $67,255,472,000) and table A–8B for indebtedness repayable at the option of the debtor in foreign currencies, goods, or services (totaling $1,784,909,000).

[2] Data presented for China and indicated "Unspecified" result from transactions with official and private entities in the mainland areas in the period prior to 1950 and transactions whose status is currently under review, whereas data indicated "Taiwan" result from transactions after 1949 with public and private entities on Taiwan. Data indicated for "Mainland" result from transactions after 1978 with official and private entities in mainland areas.

Source: Compiled by Bureau of Economic Analysis, U.S. Department of Commerce, from information made available by operating agencies.

Table A-8A.—*Outstanding indebtedness of foreign countries on U.S. Government credits, repayable in U.S. dollars, as of Dec. 31, 1984, by area, country, and major program*[1]

[In millions of dollars and equivalents]

Area and country	Total	Under Export-Import Bank Act	Under Foreign Assistance Act and related programs		Under Agricultural Trade Development and Assistance Act		Lend-lease, surplus property, and settlements for grants and war accounts	Other
			Financing of military purchases	Other	Loans of foreign currencies	Long-term dollar credits		
Total, all areas	67,255	16,939	18,710	18,280	13	8,856	1,113	3,345
Total, Europe	12,249	3,439	2,967	1,774	9	252	975	2,834
Total, Western Europe	10,161	2,789	2,967	1,767	9	205	301	2,123
Austria	50	50						
Belgium and Luxembourg	60	60						
Cyprus	3	3						
Denmark	43	43		(*)				
Finland	75	66			9			
France	140	140	(*)					
Germany	3	2					2	
Greece	622	55	503	63		(*)		
Iceland	9	8		(*)		1		
Ireland	68	68						
Italy	335	335						
Liechtenstein	3	3						
Malta	5			5				
Netherlands	11	11						
Norway	66	66		(*)				
Portugal	486	74	15	244		145		8
Spain	1,453	587	866					(*)
Sweden	21	21						
Switzerland	9	9						
Turkey	3,502	232	1,582	1,444		59		185
United Kingdom	2,570	341		9			299	1,921
Yugoslavia	602	593		1				8
European Atomic Energy Community	2							2
Unspecified Western Europe	23	23						
Total, other Europe	2,088	649		7		47	674	711
Hungary	4	4						
Poland	966	242		7		47		670
Romania	101	61						41
U.S.S.R.	1,017	343					674	
Total, Africa	13,864	2,093	4,730	3,756	(*)	3,016	13	256
Algeria	683	682				1		
Angola	51	51						
Benin	23			23				
Botswana	27		5	22				
Cameroon	100	68	5	28				
Central African Republic	7	7						
Congo	7	6				2		
Egypt	8,211	73	3,765	2,483		1,861		29
Ethiopia	117	16	4	95		3		

See footnotes at end of table.

TABLE A-8A.—*Outstanding indebtedness of foreign countries on U.S. Government credits, repayable in U.S. dollars, as of Dec. 31, 1984, by area, country, and major program*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total	Under Export-Import Bank Act	Under Foreign Assistance Act and related programs		Under Agricultural Trade Development and Assistance Act		Lend-lease, surplus property, and settlements for grants and war accounts	Other
			Financing of military purchases	Other	Loans of foreign currencies	Long-term dollar credits		
Africa—Continued								
Gabon	6	5	1					
Ghana	169			105		64		
Guinea	82	5		5		72		
Ivory Coast	86	80		6		(*)		
Kenya	225	6	76	81		61		
Liberia	198	4	23	91		67	13	
Madagascar	33	3		5		25		
Malawi	35			33		2		
Mali	5			5				
Mauritania	5	5						
Mauritius	14					14		
Morocco	815	83	241	123		217		152
Mozambique	30	16				14		
Niger	10	5	2	3				
Nigeria	209	142		66				
Rwanda	1		1	(*)				
Senegal	13	3	9	1	(*)			
Sierra Leone	39	23				16		
Somalia	165		58	12		95		
Sudan	332	26	136	13		122		35
Swaziland	11			11				
Tanzania	124	14		62		49		
Togo	2	2						
Tunisia	660	82	292	153		107		25
Uganda	12	1		10		(*)		
Zaire	1,026	607	112	138		153		16
Zambia	262	48		141		72		
Zimbabwe	31	28		3				
East African Common Services Organization	1					1		
Unspecified Africa	38	2		36				
Total, Western Hemisphere	10,226	4,023	228	4,916	1	885	7	166
Antigua and Barbuda	2	1		1				
Argentina	315	279	(*)	36				
Bahamas	2	2						
Barbados	12	4		7				
Belize	5			5				
Bolivia	280	31	4	227		18		
Brazil	2,046	1,009	(*)	974		51		12
Cayman Islands	7	7						
Chile	475	19	(*)	392		61		4
Colombia	1,023	354	14	640		14		
Costa Rica	361	20		276		66		
Cuba	36	36						

See footnotes at end of table.

TABLE A-8A.—*Outstanding indebtedness of foreign countries on U.S. Government credits, repayable in U.S. dollars, as of Dec. 31, 1984, by area, country, and major program*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total	Under Export-Import Bank Act	Under Foreign Assistance Act and related programs		Under Agricultural Trade Development and Assistance Act		Lend-lease, surplus property, and settlements for grants and war accounts	Other
			Financing of military purchases	Other	Loans of foreign currencies	Long-term dollar credits		
Western Hemisphere—Continued								
Dominican Republic	482	65	14	274	...	129	...	(*)
Ecuador	115	19	23	69	...	4	...	...
El Salvador	427	3	87	204	...	134	...	...
Grenada	1	...	...	1	...	...	...	...
Guatemala	132	10	...	115	...	7	...	...
Guyana	73	2	...	64	...	6	...	...
Haiti	115	13	1	17	...	85	...	(*)
Honduras	282	6	38	209	...	29	...	...
Jamaica	527	45	3	349	...	112	...	18
Mexico	1,660	1,594	...	29	...	...	...	37
Netherlands Antilles	25	25	...	...	...	...	...	...
Nicaragua	243	20	(*)	205	...	17	...	...
Panama	191	10	14	166	...	...	...	...
Paraguay	43	(*)	(*)	39	...	3	...	...
Peru	530	55	30	214	1	136	...	95
St. Vincent and the Grenadines	1	...	...	1	...	...	...	...
Trinidad and Tobago	193	193	...	(*)	...	...	...	...
Uruguay	69	14	(*)	44	...	10	...	...
Venezuela	176	176	(*)	...	...	...	...	...
Central American Bank for Economic Integration	167	...	...	167	...	...	...	...
Central American Monetary Stabilization Fund	8	...	...	8	...	...	...	...
Caribbean Development Bank	115	...	...	115	...	...	...	...
Andean Development Corporation	21	11	...	10	...	...	...	...
Other Western Hemisphere	(*)	...	...	(*)	...	...	...	...
Unspecified Western Hemisphere	66	...	...	59	...	...	7	...
Total, Asia	29,873	6,354	10,785	7,834	3	4,702	119	76
Afghanistan	118	22	...	73	...	23	...	...
Bangladesh	893	...	...	301	...	573	...	18
Burma	2	...	...	...	2	...	...	...
Cambodia	210	...	...	...	...	210	...	...
China: Unspecified[2]	71	...	...	...	...	...	71	...
China: Mainland[3]	67	67	...	...	...	...	...	...
Hong Kong	59	59	...	...	...	...	...	...
India	3,167	140	1	2,446	...	581	...	...
Indonesia	2,580	568	138	736	...	1,116	24	-3
Iran	76	...	...	25	2	27	23	...

See footnotes at end of table.

TABLE A-8A.—*Outstanding indebtedness of foreign countries on U.S. Government credits, repayable in U.S. dollars, as of Dec. 31, 1984, by area, country, and major program*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total	Under Export-Import Bank Act	Under Foreign Assistance Act and related programs		Under Agricultural Trade Development and Assistance Act		Lend-lease, surplus property, and settlements for grants and war accounts	Other
			Financing of military purchases	Other	Loans of foreign currencies	Long-term dollar credits		
Asia—Continued								
Iraq	25	...	...	...	...	(*)	...	25
Israel	10,083	293	8,366	1,282	(*)	126	...	14
Japan	425	421	...	...	...	(*)	...	4
Jordan	801	254	319	195	...	34	...	...
Korea	4,182	2,202	855	387	...	731	...	6
Lebanon	130	...	116	...	...	14	...	...
Malaysia	91	72	16	3	...	...	...	...
Oman	78	...	75	2	...	...	...	...
Pakistan	3,079	58	560	1,643	...	817	...	1
Philippines	804	357	110	277	...	60	...	...
Saudi Arabia	3	3	...	...	...	...	...	...
Singapore	237	237	...	...	...	...	...	...
Sri Lanka	455	8	...	170	...	276	...	...
Syria	237	...	...	183	...	54	...	...
Taiwan[2]	1,475	1,449	11	14	...	1	...	...
Thailand	400	121	217	48	...	12	...	2
Vietnam	85	...	...	41	...	43	...	...
Yemen (Sanaa)	17	...	...	7	...	3	...	8
Other Asia	(*)	...	...	(*)	...	...	...	...
Unspecified Asia	22	22	...	...	...	...	...	...
Total, Oceania	354	354	...	...	...	...	...	...
Australia	310	310	...	...	...	...	...	...
Fiji	4	4	...	...	...	...	...	...
New Zealand	40	40	...	...	...	...	...	...
Canada	676	676	...	...	...	...	...	...
Other international organizations: United Nations	12	...	...	...	...	...	...	12
Unspecified, all areas	1	...	(*)	1	...	...	...	...

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*Less than $500,000.

[1] For important qualifications affecting this table and for definitions of terms, see the explanatory note. Includes outstanding indebtedness repayable in U.S. dollars. (The U.S. Government may exercise its option to request foreign currencies, goods, or services on many of these credits.) Includes $1,000 denominated in foreign currencies (without maintenance of dollar value) and repayable in U.S. dollars.

[2] Data presented for China and indicated "Unspecified" result from transactions with official and private entities in the mainland areas in the period prior to 1950 and transactions whose status is currently under review, whereas data indicated "Taiwan" result from transactions after 1949 with public and private entities on Taiwan. Data indicated "Mainland" result from transactions after 1978 with official and private entities in mainland areas.

Source: Compiled by Bureau of Economic Analysis, U.S. Department of Commerce, from information made available by operating agencies.

TABLE A-8B.—*Outstanding indebtedness of foreign countries on U.S. Government credits, repayable in other than U.S. dollars, as of Dec. 31, 1984, by area, country, and major program*[1]

[In millions of dollars and equivalents]

Area and country	Total	Under Foreign Assistance Act and related programs: Other than financing of military purchases	Under Agricultural Trade Development and Assistance Act			Lend-lease, surplus property, and settlements for grants and war accounts	Other credits
			Loans of foreign currencies		Long-term dollar credits[2]		
			To foreign governments	To private enterprises			
Total, all areas	1,785	819	480	11	382	48	46
Total, Europe	247	109	138	(*)	...	(*)	(*)
Total, Western Europe	247	109	138	(*)	...	(*)	(*)
Austria	15	...	15	...	...	...	...
Finland	2	...	2	...	...	...	...
Greece	46	22	25	...	...	...	(*)
Portugal	1	...	1	...	...	...	...
Spain	98	11	86	...	...	...	(*)
Turkey	57	56	2	(*)	...	...	...
Yugoslavia	27	20	7	...	...	(*)	...
Other Western Europe	(*)	...	(*)	...	...	...	...
Total, Africa	422	131	148	(*)	96	2	45
Egypt	161	4	91	...	18	2	45
Guinea	13	...	13	...	...	...	...
Morocco	135	119	16	(*)	...	...	...
Senegal	21	...	1	...	20	...	...
Sudan	58	...	1	...	58	...	...
Tunisia	33	8	26	...	...	...	...
Other Africa	1	...	1	(*)	...	...	...
Total, Western Hemisphere	430	347	6	(*)	77	...	1
Argentina	24	24	...	...	...	...	...
Bolivia	76	9	(*)	...	67	...	(*)
Brazil	63	62	(*)	...	...	...	...
Chile	5	...	5	...	...	...	...
Colombia	7	7	(*)	...	...	...	(*)
Costa Rica	7	7	...	...	...	...	(*)
Dominican Republic	18	18	...	...	...	...	...
Ecuador	28	28	...	...	...	...	(*)
El Salvador	35	35	...	...	...	...	...
Guatemala	32	32	...	...	...	...	(*)
Haiti	5	5	...	...	...	...	...
Honduras	28	17	...	...	10	...	(*)
Mexico	8	7	...	...	...	...	(*)
Nicaragua	19	19	...	...	...	...	...
Panama	15	15	...	...	...	...	...
Paraguay	3	2	1	...	...	...	...
Peru	28	28	(*)	(*)	...	...	(*)
Uruguay	5	5	(*)	...	...	...	...
Venezuela	12	12	...	...	...	...	(*)
Other Western Hemisphere	(*)	(*)	...	...	...	...	...
Unspecified Western Hemisphere	14	14	...	...	...	...	...

See footnotes at end of table.

TABLE A–8B.—*Outstanding indebtedness of foreign countries on U.S. Government credits, repayable in foreign currencies, as of Dec. 31, 1984, by area, country, and major program*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total	Under Foreign Assistance Act and related programs: Other than financing of military purchases	Under Agricultural Trade Development and Assistance Act			Lend-lease, surplus property, and settlements for grants and war accounts	Other credits
			Loans of foreign currencies		Long-term dollar credits[2]		
			To foreign governments	To private enterprises			
Total, Asia	685	233	188	11	209	45	(*)
Afghanistan	1		1				
Bangladesh	209			(*)	209		
Burma	23	23					
China: Unspecified[3]	45					45	
India	3			3			(*)
Iran	16		16				
Israel	26	23	3				
Jordan	2		2				
Nepal	1		1				
Pakistan	226	83	135	7			
Philippines	15	14	1			(*)	
Sri Lanka	5	2	4	(*)			
Syria	9		9				
Taiwan[3]	73	58	16				
Thailand	14	14					
Vietnam	18	18					

*Less than $500,000.

[1] For important qualifications affecting this table and for definitions of terms, see the explanatory note. Includes the estimated U.S. dollar equivalent of the outstanding indebtedness repayable at the option of the debtor in other than U.S. dollars, i.e., in foreign currencies, goods, or services.

In particular, the outstanding principal indebtedness on Food for Development (FFD) credits that remains available to be repaid by a *currency-use offset* is included.

Part of the remaining indebtedness is denominated in U.S. dollars, but repayable in foreign currencies with maintenance of U.S. dollar value; the remainder is denominated in foreign currencies and repayable without maintenance of U.S. dollar value, as follows (in millions of dollars and equivalents):

	Repayable in foreign currencies	
	With maintenance of U.S. dollar value	Without maintenance of U.S. dollar value
Total	1,053	350
Under Foreign Assistance Act and related programs	806	13
Under Agricultural Trade Development and Assistance Act:		
To foreign governments	198	282
To private enterprises	....	11
Lend-lease, surplus property, and settlements for grants and war accounts	48	(*)
Other credits	1	45

Additional details are available in the publication, *Active Foreign Credits of the United States Government.*

[2] Represents the outstanding principal indebtedness on Food for Development (FFD) credits that remains available to be repaid by a *currency-use offset.*

[3] Data presented for China and indicated "Unspecified" result from transactions with official and private entities in the mainland areas in the period prior to 1950 and transactions whose status is currently under review, whereas data indicated "Taiwan" result from transactions after 1949 with public and private entities on Taiwan.

Source: Compiled by the Bureau of Economic Analysis, U.S. Department of Commerce, from information made available by operating agencies.

TABLE A-9.—*Unutilized balances of U.S. Government foreign credits as of Dec. 31, 1984, by area, country, and major program*[1]

[In millions of dollars and equivalents]

Area and country	Total[2]	Under Export-Import Bank Act	Under Foreign Assistance Act and related programs		Under Agricultural Trade Development and Assistance Act		Other credits
			Financing of military purchases	Other	Loans of foreign currencies	Long-term dollar credits	
Total, all areas	12,184	4,576	4,949	2,122	3	451	83
Total, Europe	3,279	862	2,391	4	...	...	22
Total, Western Europe	3,136	723	2,391	4	...	...	19
Austria	21	21	...	...	...	...	...
Belgium and Luxembourg	2	2	...	...	...	...	...
Denmark	2	2	...	...	...	...	...
Finland	15	15	...	...	...	...	...
France	21	21	(*)	...	...	...	...
Greece	1,049	1	1,048	...	...	...	...
Ireland	27	27	...	...	...	...	...
Italy	187	187	...	...	...	...	...
Norway	53	53	...	...	...	...	...
Portugal	128	...	127	...	...	...	1
Spain	529	145	384	...	...	...	...
Sweden	2	2	...	...	...	...	...
Turkey	848	(*)	831	2	...	...	15
United Kingdom	120	120	...	...	...	...	...
Yugoslavia	133	128	...	2	...	...	3
Total, other Europe	143	139	...	(*)	...	...	4
Poland	17	17	...	...	...	...	...
Romania	126	122	...	...	...	...	4
Total, Africa	2,111	640	926	264	(*)	271	9
Algeria	36	36	...	...	...	...	...
Angola	130	130	...	...	...	...	...
Botswana	8	...	8	...	...	...	...
Cameroon	56	...	7	49	...	...	...
Congo	46	46	...	...	...	...	...
Egypt	1,236	150	785	86	...	214	1
Ethiopia	3	3	...	...	...	...	...
Gabon	21	14	7	...	...	...	...
Ghana	5	...	...	5	...	...	...
Guinea	1	1	...	...	...	(*)	...
Ivory Coast	2	2	...	...	...	...	...
Kenya	70	...	15	54	...	(*)	...
Liberia	7	...	1	6	...	(*)	...
Madagascar	11	...	...	...	...	11	...
Morocco	81	...	61	16	...	(*)	3
Niger	3	...	3	...	...	...	...
Nigeria	234	234	...	...	...	...	...

See footnotes at end of table.

Table A-9.—*Unutilized balances of U.S. Government foreign credits as of Dec. 31, 1984, by area, country, and major program*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total[2]	Under Export-Import Bank Act	Under Foreign Assistance Act and related programs		Under Agricultural Trade Development and Assistance Act		Other credits
			Financing of military purchases	Other	Loans of foreign currencies	Long-term dollar credits	
Africa—Continued							
Somalia	2	....	2	....	....	(*)	....
Sudan	28	2	....	1	....	25	....
Swaziland	2	....	....	2	....	....	....
Tanzania	10	....	....	10	....	....	....
Tunisia	43	9	18	12	....	(*)	4
Zaire	48	3	18	6	....	19	1
Zambia	22	9	....	13	....	(*)	....
Zimbabwe	1	....	....	1	....	....	....
Other Africa	1	1	....	(*)	(*)	(*)	....
Unspecified Africa	4	....	....	4	....	....	....
Total, Western Hemisphere	2,584	1,553	61	835	....	92	43
Antigua and Barbuda	15	....	....	15	....	....	....
Argentina	432	432	1	....	....	....	....
Barbados	4	4	....	....	....	....	....
Belize	7	....	....	7	....	....	....
Bolivia	84	....	2	81	....	1	....
Brazil	82	75	(*)	....	....	....	7
Chile	2	....	1	....	....	....	1
Colombia	312	287	25	....	....	....	....
Costa Rica	91	....	....	70	....	21	....
Dominican Republic	80	....	4	76	....	1	....
Ecuador	53	2	6	45	....	....	....
El Salvador	115	....	9	74	....	32	....
Guatemala	54	....	(*)	54	....	(*)	....
Guyana	2	....	....	2	....	....	....
Haiti	2	....	(*)	2	....	(*)	....
Honduras	82	....	(*)	82	....	(*)	....
Jamaica	170	5	(*)	95	....	36	34
Mexico	626	626	....	....	....	....	....
Nicaragua	3	....	3	....	....	....	....
Panama	34	....	(*)	34	....	....	....
Paraguay	2	....	....	2	....	(*)	....
Peru	241	73	11	157	....	....	....
St. Christopher-Nevis	3	....	....	3	....	....	....
St. Vincent and the Grenadines	8	....	....	8	....	....	....
Trinidad and Tobago	42	42	....	....	....	....	....
Venezuela	5	5	(*)	....	....	....	....
Caribbean Development Bank	4	....	....	4	....	....	....
Andean Development Corporation	2	2	....	....	....	....	....
Eastern Caribbean Central Bank	12	....	....	12	....	....	....
Other Western Hemisphere	1	1	....	(*)	....	....	....
Unspecified Western Hemisphere	16	....	....	16	....	....	....

See footnotes at end of table.

TABLE A-9.—*Unutilized balances of U.S. Government foreign credits as of Dec. 31, 1984, by area, country, and major program*[1]—Continued

[In millions of dollars and equivalents]

Area and country	Total[2]	Under Export-Import Bank Act	Under Foreign Assistance Act and related programs: Financing of military purchases	Under Foreign Assistance Act and related programs: Other	Under Agricultural Trade Development and Assistance Act: Loans of foreign currencies	Under Agricultural Trade Development and Assistance Act: Long-term dollar credits	Other credits
Total, Asia	4,009	1,319	1,572	1,018	3	88	9
Bangladesh	91	....	....	24	....	67	(*)
China: Mainland	10	10	....	....	....	....	....
India	295	14	(*)	281	....	....	....
Indonesia	519	251	46	222	....	(*)	....
Iraq	8	....	....	....	....	....	8
Israel	1,084	254	831	....	....	....	....
Japan	13	13	....	....	....	....	....
Jordan	196	41	100	55	....	....	....
Korea	567	473	94	....	....	....	(*)
Lebanon	51	....	51	....	....	....	....
Malaysia	26	....	24	2	....	....	....
Oman	68	....	40	28	....	....	....
Pakistan	324	67	150	103	3	(*)	(*)
Philippines	278	76	86	116	....	....	....
Singapore	45	45	....	....	....	....	....
Sri Lanka	149	3	2	124	....	20	....
Taiwan	56	56	(*)	....	....	....	....
Thailand	209	16	135	58	....	....	(*)
United Arab Emirates	3	....	....	3	....	....	....
Yemen (Sanaa)	15	....	14	(*)	....	(*)	1
Oceania: Australia	42	42	....	....	....	....	....
Canada	159	159	....	....	....	....	....

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*Less than $500,000.

[1] For important qualifications affecting this table and for definitions of terms, see the explanatory note.

[2] Excludes uncommitted lending authorities. Includes unutilized portion of debt reorganization agreements that have entered into force by Dec. 31, 1984, for principal and interest installments not originally due as of that date. Thus, estimates of "active credits" obtained by the addition of (1) credits unutilized as of Dec. 31, 1984, and (2) principal outstanding as of Dec. 31, 1984, include a moderate overstatement to the extent of the future principal installments that agreements in force stipulate are to be refinanced or rescheduled.

Source: Compiled by Bureau of Economic Analysis, U.S. Department of Commerce, from information made available by operating agencies.

TABLE A-10.—*Summary of U.S. Government foreign credits, July 1, 1945, to Dec. 31, 1984, and principal and interest due and not paid for 90 days or more, as of Dec. 31, 1984, by major program, and by area and country*[1]

[In millions of dollars and equivalents]

Major program, and area and country	July 1, 1945, to Dec. 31, 1984				Due and not paid 90 days or more[3]	
	Utilized[2]	Repaid	Exchange adjustments (+ or −) and principal charged off as uncollectable (−)[4]	Interest and commissions collected	Principal	Interest
Total, all programs and all areas	134,875	64,614	−1,932	35,388	1,158	790
BY CREDIT PROGRAM						
Under Export-Import Bank Act	45,357	28,508	−46	14,000	551	251
Under Foreign Assistance Act and related programs:						
Country program loans	25,924	7,183	−60	5,922	110	81
Social Progress Trust Fund	870	529	....	203	....	....
Financing of military purchases	25,542	6,832	....	7,215	38	190
Deficiency and basic materials development	147	136	−11	36	....	....
Investment incentive credits	250	167	−6	82	....	....
Under Agricultural Trade Development and Assistance Act:						
Loans of foreign currencies:						
To foreign governments	5,186	2,979	−1,688	1,447	18	3
To private enterprises	435	313	−111	163	2	2
Long-term dollar credits	12,515	3,278	....	1,774	51	79
Lend-lease, surplus property, and settlements for grants and war accounts	5,349	4,485	−8	1,219	75	61
Other credits	13,301	10,205	−3	3,328	314	123
BY AREA AND COUNTRY						
Total, Europe	35,206	22,562	−526	11,024	522	184
Total, Western Europe	30,339	19,781	−526	10,091	75	2
Austria	232	166	....	61	....	....
Belgium and Luxembourg	413	352	....	142	....	....
Cyprus	30	26	(*)	5	....	....
Denmark	208	165	....	68	....	....
Finland	279	225	−1	126	....	....
France	2,869	2,726	−3	929	....	....
Germany	1,524	1,520	(*)	304	....	....
Greece	1,969	1,290	−11	652	(*)	....
Iceland	69	56	−4	25	....	....
Ireland	248	181	....	101	....	....
Italy	1,743	1,408	(*)	425	....	....
Liechtenstein	11	7	....	2	....	....
Malta	6	1	....	1	....	....
Netherlands	647	673	....	197	....	....
Norway	579	512	(*)	172	....	....
Portugal	1,510	1,022	−1	439	(*)	(*)
Spain	3,244	1,670	−24	1,193	(*)	(*)
Sweden	87	65	....	27	....	....

See footnotes at end of table.

TABLE A-10.—*Summary of U.S. Government foreign credits, July 1, 1945, to Dec. 31, 1984, and principal and interest due and not paid for 90 days or more, as of Dec. 31, 1984, by major program, and by area and country*[1]—Continued

[In millions of dollars and equivalents]

Major program, and area and country	July 1, 1945, to Dec. 31, 1984				Due and not paid 90 days or more[2]	
	Utilized[3]	Repaid	Exchange adjustments (+ or –) and principal charged off as uncollectable (–)[4]	Interest and commissions collected	Principal	Interest
Western Europe—Continued						
Switzerland	101	92	....	44	....	....
Turkey	5,356	1,648	–149	1,481	1	1
United Kingdom	6,847	4,563	–30	2,812	....	....
Yugoslavia	1,968	1,037	–303	711	74	1
European Atomic Energy Community	108	106	....	46	....	....
European Coal and Steel Community	100	100	....	59	....	....
North Atlantic Treaty Organization	9	9	....	....	....	....
Unspecified Western Europe	183	160	....	70	....	....
Total, other Europe	4,866	2,781	(*)	932	447	183
Czechoslovakia	16	16	....	5	....	....
Hungary	44	40	....	12	....	....
Poland	2,439	1,476	(*)	419	447	181
Romania	517	416	....	115	(*)	1
U.S.S.R.	1,850	833	....	381	....	....
Total, Africa	18,394	3,843	–273	3,815	37	196
Algeria	1,052	369	(*)	440	(*)	....
Angola	99	48	(*)	22	....	....
Benin	23	(*)	....	3	(*)	(*)
Botswana	28	1	....	5	....	(*)
Burkina Faso	1	1	....	(*)	....	....
Cameroon	152	52	....	37	1	1
Central African Republic	10	3	....	3	....	....
Congo	9	1	....	2	....	(*)
Egypt	9,359	809	–178	1,514	(*)	155
Ethiopia	201	88	(*)	56	4	1
Gabon	33	27	....	11	....	....
Ghana	346	157	–19	124	....	....
Guinea	140	45	(*)	30	1	2
Ivory Coast	134	48	(*)	47	8	4
Kenya	315	92	(*)	68	1	....
Liberia	370	176	(*)	86	2	1
Libya	7	7	....	1	....	....
Madagascar	37	4	....	2	....	(*)
Malawi	37	1	....	6	....	....
Mali	6	1	(*)	1	....	....
Mauritania	6	1	....	1	4	2
Mauritius	15	2	....	1	....	....
Morocco	1,573	602	–22	435	1	10
Mozambique	36	7	....	6	3	1
Niger	13	3	....	3	....	....
Nigeria	264	56	....	48	(*)	(*)

See footnotes at end of table.

TABLE A-10.—*Summary of U.S. Government foreign credits, July 1, 1945, to Dec. 31, 1984, and principal and interest due and not paid for 90 days or more, as of Dec. 31, 1984, by major program, and by area and country*[1]—Continued

[In millions of dollars and equivalents]

Major program, and area and country	July 1, 1945, to Dec. 31, 1984				Due and not paid 90 days or more[2]	
	Utilized[3]	Repaid	Exchange adjustments (+ or −) and principal charged off as uncollectable (−)[4]	Interest and commissions collected	Principal	Interest
Africa—Continued						
Rwanda	2	1	....	1	....	....
Senegal	58	24	−1	9	(*)	(*)
Sierra Leone	60	20	....	14	....	(*)
Somalia	174	9	....	13	1	5
South Africa	154	154	(*)	40	....	....
Sudan	500	99	−11	62	3	3
Swaziland	11	(*)	....	1	....	....
Tanzania	135	12	−1	20	3	6
Togo	7	5	....	2	....	....
Tunisia	1,004	295	−16	235	(*)	(*)
Uganda	15	5	....	3	(*)	(*)
Zaire	1,489	441	−21	373	(*)	1
Zambia	340	79	....	44	4	5
Zimbabwe	32	1	....	6	....	....
East African Common Services Organization	3	2	....	1	(*)	(*)
Unspecified Africa	141	94	−4	37	....	....
Total, Western Hemisphere	23,897	13,050	−314	5,864	417	255
Antigua and Barbuda	3	1	....	1	1	1
Argentina	1,438	1,084	−15	423	46	21
Bahamas	59	57	....	15	....	....
Barbados	13	2	....	2	....	....
Belize	5	(*)	(*)	(*)	....	....
Bermuda	28	28	....	6	....	....
Bolivia	571	197	−21	117	13	4
Brazil	5,335	3,047	−198	1,639	228	116
Cayman Islands	24	17	....	6	....	....
Chile	2,236	1,737	−18	607	....	....
Colombia	1,856	805	−28	430	(*)	(*)
Costa Rica	466	98	−5	55	3	4
Cuba	40	3	....	9	36	49
Dominican Republic	730	233	....	122	19	12
Ecuador	351	213	(*)	83	4	1
El Salvador	523	62	....	56	(*)	1
Grenada	1	....	....	(*)	....	....
Guatemala	251	87	....	51	1	(*)
Guyana	90	17	(*)	20	6	5
Haiti	146	34	(*)	28	1	1
Honduras	383	74	....	52	(*)	(*)
Jamaica	645	119	(*)	77	5	1
Mexico	4,526	2,856	−3	1,148	11	6
Netherlands Antilles	28	3	....	8	....	....
Nicaragua	322	63	....	36	22	22

See footnotes at end of table.

TABLE A-10.—*Summary of U.S. Government foreign credits, July 1, 1945, to Dec. 31, 1984, and principal and interest due and not paid for 90 days or more, as of Dec. 31, 1984, by major program, and by area and country*[1]—Continued

[In millions of dollars and equivalents]

Major program, and area and country	July 1, 1945, to Dec. 31, 1984				Due and not paid 90 days or more[2]	
	Utilized[3]	Repaid	Exchange adjustments (+ or −) and principal charged off as uncollectable (−)[4]	Interest and commissions collected	Principal	Interest
Western Hemisphere—Continued						
Panama	394	188	....	94	(*)	....
Paraguay	104	60	-2	34	(*)	(*)
Peru	1,606	1,041	-7	315	12	10
St. Vincent and the Grenadines	1	(*)	....	(*)	....	....
Suriname	7	7	....	2	....	....
Trinidad and Tobago	274	80	(*)	88	....	....
Uruguay	174	85	-14	44	....	....
Venezuela	830	644	(*)	220	9	1
Central American Bank for Economic Integration	197	30	....	37	....	....
Central American Monetary Stabilization Fund	10	2	....	2	....	....
Caribbean Development Bank	116	1	....	11	....	(*)
Andean Development Corporation	27	6	....	6	....	....
Unspecified Western Hemisphere	88	69	-1	21	....	....
Total, Asia	54,225	23,045	-808	13,958	183	155
Afghanistan	183	63	-1	63	(*)	(*)
Bangladesh	1,311	298	(*)	132	1	3
Bahrain	....	16	....	1	....	....
Brunei	20	20	....	6	....	....
Burma	61	36	....	36	....	....
Cambodia	289	79	....	2	4	40
China: Unspecified[5]	202	98	....	9	51	45
China: Mainland[6]	41	(*)	....	4	....	....
Hong Kong	119	59	....	35	....	....
India	7,842	4,300	-465	1,961	2	2
Indonesia	3,834	1,239	-15	853	(*)	(*)
Iran	1,914	1,818	-3	599	82	26
Iraq	63	38	....	6	(*)	....
Israel	12,716	2,539	-69	4,152	(*)	(*)
Japan and Ryukyu Islands	4,287	3,826	-4	849	....	....
Jordan	1,234	431	(*)	261	27	17
Korea	7,186	3,000	-4	1,795	(*)	....
Kuwait	50	50	....	13	....	....
Lebanon	304	174	....	76	(*)	....
Malaysia	330	239	....	69	....	....
Nepal	4	2	-1	2	....	....
Oman	112	34	....	27	....	....
Pakistan	4,668	1,088	-227	1,035	(*)	(*)
Philippines	1,821	985	-17	482	(*)	....
Saudi Arabia	280	296	....	42	....	....
Singapore	403	166	....	123	....	....
Sri Lanka	539	74	-4	74	....	(*)

See footnotes at end of table.

TABLE A-10.—*Summary of U.S. Government foreign credits, July 1, 1945, to Dec. 31, 1984, and principal and interest due and not paid for 90 days or more, as of Dec. 31, 1984, by major program, and by area and country*[1]—Continued

[In millions of dollars and equivalents]

Major program, and area and country	July 1, 1945, to Dec. 31, 1984				Due and not paid 90 days or more[2]	
	Utilized[3]	Repaid	Exchange adjustments (+ or −) and principal charged off as uncollectable (−)[4]	Interest and commissions collected	Principal	Interest
Asia—Continued						
Syria	282	36	(*)	35	2	3
Taiwan[5]	2,784	1,250	4	986	(*)	....
Thailand	740	326	....	195	....	(*)
Vietnam	561	459	(*)	31	14	18
Yemen (Sanaa)	21	4	....	(*)	....	....
Unspecified Asia	24	2	....	8	....	....
Total, Oceania	1,709	1,353	−11	422	....	....
Australia	1,433	1,121	−10	325	....	....
Fiji	5	2	....	1	....	....
Nauru	4	4	....	1	....	....
New Caledonia	2	(*)	−1	(*)	....	....
New Zealand	234	194	....	84	....	....
Papua New Guinea	31	31	....	10	....	....
Trust Territory of the Pacific Islands	1	1	....	(*)	....	....
Canada	1,301	632	....	286	....	....
Other international organizations: United Nations	141	129	....	20	....	....
Unspecified, all areas	2	(*)	....	(*)	....	....

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*Less than $500,000 (plus or minus).

[1] For important qualifications affecting this table and for definitions of terms, see the explanatory note. Excludes transactions on credits originating before 1940, with the exception that transactions on all Export-Import Bank credits (since 1934) are included.

[2] As reported by the operating agencies. Does not include principal or interest for which revised, deferred terms have been agreed upon (for example, interest and principal on the British loan and lend-lease, surplus property, and settlements for grants due from the United Kingdom in 1956-57, 1964-65, 1968, and 1976, and deferred by agreement of Mar. 6, 1957, and Public Law 85-21, until Dec. 31, 2001, or later). Does not include amounts reported charged off as uncollectable. Excludes $54,558,000 of Chinese principal and interest due for assets left on the Asian continent, for which Export-Import Bank has deferred from pressing.

[3] Includes $3,682,954,000 representing settlements for postwar relief and other grants under agreements providing for repayment of principal. This amount is not included in statistics on new credits in tables A-1, A-2, and A-5A.

[4] "Exchange adjustments" total $1,857,340,000 and generally occur on loans extended in foreign currency with repayment scheduled in foreign currency when devaluation occurs in the exchange rate after disbursement. Some adjustments result from currency appreciation and increase the value of the indebtedness outstanding. If the credit was denominated in dollars and a rate specified in the credit agreement, although different from the current exchange value, was used for collections no adjustment has been computed. All principal charged off as uncollectable ($74,961,000) has been on loans to nongovernmental foreign entities. Amounts of accrued interest charged off as uncollectable are not included in this table. Adjustments in the value of lend-lease silver returned, in the amount of $8,564,000, are not included in "exchange adjustments." Adjustments to outstanding principal for discount allowed for extraordinary prepayments are not included in "exchange adjustment."

[5] Data presented for China and indicated "Unspecified" included transactions with official and private entities in the mainland areas in the period prior to 1950 and transactions whose status is currently under review, whereas data indicated "Taiwan" include transactions after 1949 with public and private entities on Taiwan. Data indicated for "Mainland" include transactions after 1978 with official and private entities in mainland areas.

Source: Compiled by Bureau of Economic Analysis, U.S. Department of Commerce, from information made available by operating agencies.

TABLE A-11.—*Summary of interest and commissions collected on U.S. Government foreign credits, July 1, 1945, to Dec. 31, 1984, by major program, and by area dnd country*[1]

[In millions of dollars and equivalents]

Major program, and area and country	Total (39½ years)	Calendar years 1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978
Total, all programs and all areas	35,388	3,877	3,645	3,038	2,784	2,396	2,089	17,560
BY CREDIT PROGRAM								
Under Export-Import Bank Act	14,000	1,433	1,299	1,176	1,068	923	805	7,295
Under Foreign Assistance Act and related programs:								
Country program loans	5,922	412	394	407	393	364	341	3,612
Social Progress Trust Fund	203	6	7	8	8	9	11	153
Financing of military purchases	7,215	1,714	1,479	1,102	882	622	490	927
Deficiency and basic materials development	36	....	....	1	....	....	....	35
Investment incentive credits	82	5	7	8	8	7	10	37
Under Agricultural Trade Development and Assistance Act:								
Loans of foreign currencies:								
To foreign governments	1,447	18	19	22	28	29	33	1,298
To private enterprises	163	1	1	1	2	2	3	153
Long-term dollar credits	1,774	207	194	170	165	146	146	746
Lend-lease, surplus property, and settlements for grants and war accounts	1,219	8	8	12	9	9	10	1,164
Other credits	3,328	73	237	132	221	284	240	2,141
BY AREA AND COUNTRY								
Total, Europe	11,024	722	727	693	770	696	586	6,828
Total, Western Europe	10,091	681	688	652	648	554	478	6,388
Austria	61	4	5	4	3	2	1	43
Belgium and Luxembourg	142	6	7	8	8	5	4	104
Cyprus	5	(*)	(*)	(*)	1	1	1	1
Denmark	68	5	5	4	6	4	4	40
Finland	126	8	7	5	5	3	3	94
France	929	12	12	12	10	8	10	865
Germany	304	(*)	1	1	2	3	4	294
Greece	652	66	62	63	69	66	61	263
Iceland	25	1	1	1	1	1	1	20
Ireland	101	6	6	5	3	1	1	80
Italy	425	33	33	41	25	16	13	264
Malta	1	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Netherlands	197	1	3	4	6	8	10	164
Norway	172	8	7	8	9	12	14	114
Portugal	439	36	38	46	59	74	64	122
Spain	1,193	136	123	125	117	93	79	520
Sweden	27	2	2	2	2	2	2	15
Switzerland	44	1	2	3	4	4	5	24
Turkey	1,481	220	225	170	164	105	75	522
United Kingdom	2,812	87	90	95	103	90	83	2,264
Yugoslavia	711	47	55	48	43	48	34	435
European Atomic Energy Community	46	(*)	1	1	1	2	3	37
European Coal and Steel Community	59	....	....	....	....	(*)	1	59
Other and unspecified Western Europe	72	3	4	5	5	6	5	44
Total, other Europe	932	40	39	41	122	143	108	440
Czechoslovakia	5	(*)	(*)	4	....	....	....	1
Hungary	12	(*)	1	1	1	1	1	6

See footnotes at end of table.

TABLE A-11.—*Summary of interest and commissions collected on U.S. Government foreign credits, July 1, 1945, to Dec. 31, 1984, by major program, and by area and country*[1]—Continued

[In millions of dollars and equivalents]

Major program, and area and country	Total (39½ years)	Calendar years 1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978
Other Europe—Continued								
Poland	419	4	(*)	3	78	95	70	170
Romania	115	13	14	8	17	19	10	36
U.S.S.R.	381	23	25	25	26	27	28	227
Total, Africa	3,815	763	610	489	376	281	200	1,096
Algeria	440	61	71	68	64	51	37	88
Angola	22	6	6	5	1	(*)	1	3
Benin	3	(*)	(*)	(*)	(*)	(*)	(*)	1
Botswana	5	1	1	(*)	(*)	(*)	(*)	2
Cameroon	37	6	7	7	5	2	1	9
Central African Republic	3	1	2	....	....	....	....	(*)
Congo	2	1	(*)	(*)	(*)	(*)	(*)	(*)
Egypt	1,514	344	387	245	179	83	40	236
Ethiopia	56	4	4	4	4	4	5	31
Gabon	11	1	1	1	1	2	2	4
Ghana	124	5	6	7	6	7	8	86
Guinea	30	3	2	5	5	2	2	12
Ivory Coast	47	3	6	6	6	3	4	19
Kenya	68	12	11	11	9	8	7	11
Liberia	86	7	4	3	3	2	2	66
Libya	1	....	....	....	....	....	....	1
Madagascar	2	1	(*)	(*)	(*)	(*)	(*)	1
Malawi	6	1	1	1	1	1	(*)	2
Mali	1	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Mauritania	1	....	....	....	....	....	(*)	1
Mauritius	1	(*)	(*)	(*)	(*)	(*)	....	....
Morocco	435	57	28	26	34	29	24	237
Mozambique	6	(*)	1	2	2	1	(*)	(*)
Niger	3	1	1	1	1	1	(*)	(*)
Nigeria	48	13	6	4	2	2	2	20
Senegal	9	2	2	1	1	1	1	1
Sierra Leone	14	(*)	1	(*)	(*)	1	1	9
Somalia	13	3	5	1	1	1	(*)	2
South Africa	40	....	....	....	....	....	(*)	40
Sudan	62	29	2	12	1	3	1	14
Swaziland	1	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Tanzania	20	2	(*)	1	3	3	2	9
Togo	2	(*)	(*)	(*)	(*)	(*)	(*)	1
Tunisia	235	44	33	21	19	16	14	89
Uganda	3	(*)	(*)	1	(*)	(*)	(*)	1
Zaire	373	143	19	45	21	53	37	55
Zambia	44	7	1	6	6	5	4	14
Zimbabwe	6	3	2	1	(*)	....	....	(*)
East African Common Services Organization	1	(*)	(*)	(*)	(*)	(*)	(*)	1
Other and unspecified Africa	37	1	1	2	1	2	2	29
Total, Western Hemisphere	5,864	387	532	411	376	353	336	3,468
Antigua and Barbuda	1	(*)	(*)	....	....	....	....	1
Argentina	423	4	18	16	16	18	19	332
Bahamas	15	1	(*)	(*)	(*)	(*)	(*)	13
Barbados	2	1	1	(*)	(*)	(*)	(*)	(*)
Bermuda	6	....	....	....	....	(*)	(*)	6
Bolivia	117	8	14	4	5	12	9	66
Brazil	1,639	38	56	107	111	108	105	1,114
Cayman Islands	6	1	(*)	(*)	(*)	(*)	(*)	3
Chile	607	14	16	18	23	25	39	472
Colombia	430	47	30	30	26	24	22	251
Costa Rica	55	9	2	3	3	3	3	33

See footnotes at end of table.

TABLE A-11.—*Summary of interest and commissions collected on U.S. Government foreign credits, July 1, 1945, to Dec. 31, 1984, by major program, and by area and country*[1]—Continued

[In millions of dollars and equivalents]

Major program, and area and country	Total (39½ years)	Calendar years 1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978
Western Hemisphere—Continued								
Cuba	9	....	....	....	....	....	....	9
Dominican Republic	122	8	11	8	13	12	9	61
Ecuador	83	5	3	5	5	5	5	55
El Salvador	56	14	10	6	3	2	2	19
Guatemala	51	4	5	4	4	3	4	27
Guyana	20	(*)	(*)	2	4	2	4	9
Haiti	28	3	2	2	1	2	2	16
Honduras	52	12	8	5	4	3	3	16
Jamaica	77	16	4	8	6	6	5	31
Mexico	1,148	128	280	119	74	57	49	441
Netherlands Antilles	8	3	3	1	(*)	(*)	(*)	1
Nicaragua	36	(*)	(*)	(*)	3	3	3	25
Panama	94	6	6	6	6	6	7	58
Paraguay	34	1	1	1	2	2	2	25
Peru	315	12	15	23	30	33	25	178
Suriname	2	(*)	(*)	(*)	(*)	(*)	(*)	2
Trinidad and Tobago	88	19	19	14	13	8	2	13
Uruguay	44	3	3	3	2	2	3	28
Venezuela	220	19	15	17	13	12	9	134
Central American Bank for Economic Integration	37	4	4	4	4	3	3	15
Central American Monetary Stabilization Fund	2	(*)	(*)	(*)	(*)	(*)	(*)	1
Caribbean Development Bank	11	2	2	2	1	1	1	1
Andean Development Corporation	6	1	1	1	1	(*)	(*)	(*)
Other and unspecified Western Hemisphere	22	3	2	1	1	1	1	13
Total, Asia	13,958	1,925	1,703	1,387	1,214	1,029	933	5,767
Afghanistan	63	5	5	4	4	4	3	39
Bangladesh	132	17	21	16	17	8	14	39
Brunei	6	....	....	....	....	....	....	6
Burma	36	1	1	1	3	(*)	2	28
Cambodia	2	(*)	(*)	(*)	(*)	(*)	(*)	1
China: Unspecified[2]	9	....	....	....	....	....	....	9
China: Mainland[2]	4	3	1	(*)	....	....	....	(*)
Hong Kong	35	6	7	6	3	2	2	9
India	1,961	80	84	79	78	71	73	1,497
Indonesia	853	113	93	77	81	76	72	340
Iran	599	....	81	....	....	(*)	28	489
Iraq	6	....	(*)	(*)	(*)	(*)	(*)	6
Israel	4,152	888	739	554	456	355	296	863
Japan and Ryukyu Islands	849	43	45	49	45	43	49	576
Jordan	261	63	46	51	34	21	10	37
Korea	1,795	332	262	222	215	200	172	392
Kuwait	13	....	....	....	....	....	....	13
Lebanon	76	14	10	13	6	6	6	23
Malaysia	69	6	4	4	4	5	7	38
Nepal	2	(*)	(*)	(*)	(*)	(*)	(*)	1
Oman	27	9	8	7	2	....	....	(*)
Pakistan	1,035	105	76	65	64	62	64	598
Philippines	482	51	41	43	42	42	41	222
Saudi Arabia	42	(*)	1	1	(*)	(*)	(*)	39
Singapore	123	19	16	18	19	17	9	25

See footnotes at end of table.

TABLE A-11.—*Summary of interest and commissions collected on U.S. Government foreign credits, July 1, 1945, to Dec. 31, 1984, by major program, and by area and country*[1]—Continued

[In millions of dollars and equivalents]

Major program, and area and country	Total (39½ years)	Calendar years 1984	1983	1982	1981	1980	1979	July 1, 1945, to Dec. 31, 1978
Asia—Continued								
Sri Lanka	74	9	7	7	6	6	5	34
Syria	35	2	6	5	5	4	3	10
Taiwan[2]	986	130	121	138	105	87	68	336
Thailand	195	29	25	24	21	20	9	67
Vietnam	31	(*)	(*)	(*)	(*)	(*)	(*)	28
Other and unspecified Asia	9	2	2	2	1	(*)	(*)	2
Total, Oceania	422	31	31	24	17	16	17	285
Australia	325	26	25	16	10	9	10	228
Nauru	1	....	(*)	(*)	(*)	....	....	....
New Zealand	84	4	5	7	7	8	8	46
Papua New Guinea	10	....	....	....	....	....	....	10
Other and unspecified Oceania	(*)	....	....	....	....	....	....	(*)
Canada	286	49	41	34	29	19	16	98
Other international organizations: United Nations	20	(*)	(*)	(*)	1	1	1	17

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*Less than $500,000.

[1] For important qualifications affecting this table and for definitions of terms, see the explanatory note.

[2] Data presented for China and indicated "Unspecified" include transactions with official and private entities in the mainland areas in the period prior to 1950 and transactions whose status is currently under review, whereas data indicated "Taiwan" include transactions after 1949 with public and private entities on Taiwan.

Source: Compiled by Bureau of Economic Analysis, U.S. Department of Commerce, from information made available by operating agencies.

SECTION B.—U.S. Assistance to Less Developed Countries

TABLE B-1.—*Analysis of terms of U.S. Government commitments*[1] *for all Official Development Assistance (ODA) to less developed countries in calendar year 1984*

[Amounts in millions of dollars]

Program[2]	Commitment			Measures of loan concessionality		
	Volume (amount)	Grant equivalent[3] (amount)	Grant equivalent[3] (percent)[4]	Maturity[5] (years)	Interval to first repayment[6] (years)	Effective interest rate[7] (percent)
Total	10,473.13	9,805.06	93.62*			
Of which bilateral	8,140.16	7,476.94	91.85*			
Grants	8,442.13	8,442.13	100.00			
Bilateral	6,121.16	6,121.16	100.00			
Multilateral	2,320.97	2,320.97	100.00			
Capital subscription payments	1,304.29	1,304.29	100.00			
Other	1,016.68	1,016.68	100.00			
Grant-like:[8] Bilateral	162.98	162.98	100.00			
Loans:[9]	1,868.02	1,199.95	64.24*	34.7*	9.9*	2.82*
Multilateral: New ODA: FAA	12.00	7.15	59.60	26.0	6.0	2.69
Bilateral	1,856.02	1,192.80	64.27*	34.7*	10.0*	2.82*
New ODA	1,817.35	1,168.03	64.27*	34.7*	10.0*	2.82*
FAA	496.48	353.42	71.18	41.0	11.0	2.63
ATDA	675.50	459.09	67.96*	40.7*	10.7*	2.58*
FAA	2.00	1.36	67.86*	31.0*	11.0	2.51
FAA	269.43	176.47	65.50	26.0	11.0	2.45
FAA	41.64	26.01	62.47	21.0	11.0	2.35
ATDA	16.75	9.61	57.36*	30.2*	5.2*	2.71*
ATDA	19.00	10.58	55.70*	20.7*	8.7*	2.81*
ATDA	19.00	9.10	47.89	25.4	5.4	3.65
ATDA	45.00	21.38	47.50*	24.5*	5.5*	3.63*
ATDA	114.05	53.58	46.98*	20.6*	6.6*	3.51*
ATDA	13.50	5.78	42.84	20.3	4.3	3.65
FAA	95.00	38.01	40.01*	21.0	6.0	5.00
FAA	10.00	3.64	36.36	16.0	6.0	5.00
Debt reorganization						
Incremental capitalized interest:[10] ATDA	38.67	24.77	64.06*	37.3*	9.1*	2.71*
Memorandum item:						
EXCLUDING DEBT REORGANIZATION						
Total	10,434.46	9,780.29	93.73*			
Of which bilateral	8,101.49	7,452.17	91.99*			

*Volume-weighted average of individual commitments.

[1] Commitments for grants and loans as reported in the U.S. submission for the OECD Development Assistance Committee Annual Aid Review (1984). *Official development assistance* (ODA) is defined to include each transaction which is administered with the promotion of economic development and welfare of developing countries as its main objective and which is concessional in character, containing a *grant element* (see footnote 4) of at least 25 percent.

[2] ATDA—Agricultural Trade Development and Assistance Act.
FAA—Foreign Assistance Act.

[3] *Grant equivalent* measures grants *plus* an estimate of the interest forgone on loans. The latter estimate is the difference between the present value of (a) the actual projected amortization of principal and interest at the contracted rate and (b) an assumed project amortization of principal and interest at a standardized 10 percent.

[4] This percentage is termed the *grant element*. It provides—

Footnotes for TABLE B-1—Continued

for loans—a single indicator of loan concessionality ("softness"), combining the three terms parameters shown in the adjacent tabular columns and discussed in footnotes 5, 6, and 7.

[5] *Maturity period* (M) includes any interval to first repayment during which time principal installments are nil. The maturity date for FAA credits is generally 40 years from the date of first disbursement; a standard estimate of 1 year for the interval to first disbursement from date of commitment is used. For ATDA credits, the maturity date is generally determined in years from the date of last delivery; such date of last delivery is estimated from the authorization stipulated in each agreement. Where a credit agreement is augmented by amendment within the current (reporting) year, the earliest date of authorization in the current year is used for calculating maturity period.

[6] *Interval to first repayment* (IFR) is measured in a manner comparable to that for maturity outlined in footnote 5.

[7] *Effective interest rate* (EIR) is calculated for each ODA credit having multiple interest rates, including those credits with a lower interest rate prevailing during the interval to first repayment. The formula used for calculating effective interest rate is $\mathrm{EIR} = (2i(\mathrm{IFR}) + j(\mathrm{M} - \mathrm{IFR}))/(\mathrm{M} + \mathrm{IFR})$, where i = initial interest rate and j = continuing interest rate.

[8] Includes ATDA credits extended under title I whereby, under section 305, disbursement of funds generated from the sale of commodities in any participating country for the purpose of an approved Food for Development (FFD) program of such country is intended as a *currency-use offset* (CUO) to the repayment obligation. Also includes other grant-like loans repayable to the U.S. Government in borrowers' currencies. Excludes ATDA credits against which accelerated *currency-use payments* (CUP) are required under subsection 103(b).

[9] Includes only credits with a grant element of at least 25 percent and repayable in U.S. dollars.

[10] *Incremental capitalized interest* (ICI) represents transactions that have not been previously incorporated as commitments in the OECD reporting series. Such commitments—under what may be termed "bisque clauses"—may actually have been made in the original agreement or in a subsequent amendment. For statistical convenience, these transactions are reported as current year increments because the basic loan accounting systems do not normally tabulate such "bisque agreement" amounts when an original agreement is made. Grant elements have been indicated for such ICI transactions in the calendar year, based upon the approximate terms of the original agreement. Maturity period, IFR, and EIR are the approximate categorical terms parameters of the original agreement.

The currency-use offset of a repayment obligation or the exercise of U.S. Government option to collect a currency-use payment results in the decrease of the principal amount outstanding on an ATDA credit, until the currency-use offset or payment is applied as meeting an interest installment otherwise due according to the credit repayment schedule. At such time, interest is entered as an imputed collection, and an equivalent addition to principal outstanding (i.e., a disbursement) is recorded. Every incremental capitalization of interest reported for ATDA credits is the consequence of such a currency-use offset or payment transaction.

Source: Compiled by Bureau of Economic Analysis, U.S. Department of Commerce, from information made available by operating agencies, for U.S. Annual Aid Review submission to the OECD Development Assistance Committee.

Footnotes for TABLE B-1

TABLE B-2.—*Net flow of financial resources to developing countries from the United States, Jan. 1, 1975, to Dec. 31, 1984, by type of resource*

[In millions of dollars and equivalents]

Type of resource	Calendar years									
	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
Total	17,684	12,371	12,433	16,169	18,808	13,852	26,374	30,159	23,037	28,585
Official flows	5,081	5,183	5,434	6,951	5,771	8,250	6,698	9,780	8,137	9,734
Official development assistance[1]	4,161	4,360	4,682	5,664	4,684	7,138	5,782	8,202	8,081	8,711
Bilateral grants[2]	1,705	1,684	1,738	2,060	2,452	2,975	3,164	3,791	4,540	5,644
Bilateral loans	1,236	1,154	1,159	1,414	1,624	1,391	1,153	1,070	1,023	813
Multilateral contributions[3]	1,220	1,522	1,785	2,190	608	2,772	1,465	3,341	2,518	2,254
Other official flows	920	822	752	1,288	1,087	1,112	916	1,578	56	1,023
Private flows	12,603	7,188	6,999	9,218	13,037	5,602	19,676	20,379	14,900	18,851
Private flows at market terms	11,799	6,399	6,159	8,287	12,008	4,301	18,658	19,099	13,580	17,387
Direct investment	7,241	3,119	4,866	5,619	7,986	3,367	6,475	5,451	2,340	4,419
Private export credits and portfolio investment	4,558	3,280	1,293	2,668	4,022	934	12,183	13,648	11,240	12,968
Grants by private voluntary agencies	804	789	840	931	1,029	1,301	1,018	1,280	1,320	1,464

[1] See footnote 1 to table B-1.

[2] Includes "grant-like flows" (e.g., loans repayable in recipients' currencies).

[3] Includes capital subscriptions to multilateral organizations (international financial institutions) in the form of letters of credit.

Source: Organization for Economic Cooperation and Development *DAC Chairman's Report,* 1985 Review and earlier issues, based upon U.S. Annual Aid Review submission to the OECD Development Assistance Committee as compiled by Bureau of Economic Analysis, U.S. Department of Commerce, from information made available by operating agencies.

SECTION C.—International Monetary Fund

TABLE C–1.—*International Monetary Fund currency sales Oct. 1, 1984 through Sept. 30, 1985, by country and currency*

[Millions of SDRs]

Country	Total	Currencies[1]	SDRs
Total	4,760.7	2,482.3	2,278.4
Nonoil Developing Countries	4,760.7	2,482.3	2,278.4
Africa	954.2	472.1	482.2
Central African Rep.	11.0	0.5	10.5
Chad	10.2		10.2
Comoros	0.3		0.3
Equatorial Guinea	2.3		2.3
Ghana	178.2	86.0	92.2
Ivory Coast	47.2	13.2	33.9
Kenya	51.1	28.6	22.6
Liberia	8.5	4.3	4.3
Madagascar	34.5	17.3	17.3
Malawi	22.0	22.0	
Mali	18.5	9.3	9.3
Mauritania	4.8	2.8	2.0
Mauritius	28.5	10.5	18.0
Morocco	215.1	125.0	90.1
Mozambique	13.2		13.2
Niger	21.2	7.4	13.8
Senegal	45.1	28.9	16.3
Somalia	34.6	18.4	16.2
Togo	15.0	2.0	13.0
Zaire	143.0	71.1	71.9
Zambia	50.0	25.0	25.0
Asia	865.6	464.3	401.3
Bangladesh	55.0	10.0	45.0
Burma	6.9	6.9	
Fiji	4.8	4.8	
Asia—Continued			
Korea	231.9	191.9	40.0
Pakistan	88.6	38.6	50.0
Philippines	191.0	120.5	70.5
Thailand	285.0	90.0	195.0
Western Samoa	2.5	1.7	0.8
Europe	525.8	249.8	276.0
Hungary	99.2	49.6	49.6
Portugal	92.9	46.5	46.5
Turkey	56.3		56.3
Yugoslavia	277.5	153.8	123.8
Middle East	63.4	6.0	57.4
Jordan	57.4		57.4
Yemen Arab Rep.	6.0	6.0	
Western Hemisphere	2,351.7	1,290.2	1,061.5
Argentina	984.5	450.2	534.3
Belize	4.8	1.6	3.2
Brazil	374.3	252.1	122.1
Chile	187.1	63.3	123.9
Costa Rica	24.0	13.5	10.5
Dominica	1.0		1.0
Dominican Rep.	28.0		28.0
Ecuador	32.5	10.6	22.0
Jamaica	61.0	7.5	53.5
Mexico	596.7	450.8	145.9
Panama	48.4	40.7	7.7
Uruguay	9.5		9.5

[1] Sales of U.S. dollars during the period amounted to SDR 1,750.4 million.

NOTE.—Details may not add due to rounding.
Source: International Monetary Fund.

TABLE C-2.—*International Monetary Fund sales by currency sold, calendar years, through Sept. 30, 1985*

[Millions of SDRs]

Period	Total	U.S. dollars	Deutsche mark	Italian lire	Canadian dollars	French francs	Pounds sterling	Other[1]
Total	77,212.4	30,571.4	10,287.8	2,430.8	2,200.8	2,799.6	2,367.9	26,554.1
1985 (Through September)	1,584.7	1,042.4	45.0	15.0	....	40.0	4.8	437.5
1984	4,840.5	2,965.5	294.6	108.2	7.8	....	55.0	1,409.4
1983	11,155.5	6,067.8	1,182.8	70.5	25.8	21.1	344.5	3,443.0
1982	5,887.9	2,871.5	492.9	....	....	....	171.7	2,351.8
1981	5,119.5	2,826.1	186.0	....	....	30.0	190.6	1,886.8
1980	2,196.8	800.8	....	243.4	....	80.9	....	1,071.7
1979	576.8	108.4	....	....	....	17.6	....	450.8
1978	2,719.4	59.9	1,654.1	....	4.0	....	101.8	899.8
1977	2,968.8	1,277.5	670.0	....	75.0	69.5	....	876.8
1976	6,508.0	2,720.0	324.2	....	308.5	400.6	....	2,754.7
1975	4,557.1	1,182.2	280.0	....	43.0	224.9	97.7	2,729.3
1974	4,021.2	1,199.5	474.5	....	60.5	137.3	89.0	2,060.4
1973	687.6	....	323.8	18.8	33.6	82.2	....	229.2
1972	1,255.2	....	412.2	59.7	79.8	144.4	257.1	302.0
1971	1,900.3	10.0	228.8	60.9	85.5	100.1	27.9	1,387.1
1970	1,509.3	453.9	333.8	70.3	81.1	....	43.3	526.9
1969	2,461.2	1,031.1	311.0	197.0	278.5	....	4.0	639.6
1968	3,517.4	790.2	836.0	476.0	138.5	79.5	....	1,197.2
1967	834.7	113.6	89.8	46.0	30.0	82.0	247.2	226.1
1966	1,448.3	158.8	239.5	311.8	459.8	77.0	82.4	119.0
1965	2,433.5	282.3	418.1	473.9	290.5	376.8	29.0	563.1
1964	1,949.8	281.9	718.1	31.3	99.0	356.8	7.3	455.4
1963	333.2	193.7	37.5	28.0	....	20.0	5.0	49.0
1947-62	6,745.9	4,134.3	735.3	220.2	100.0	459.0	609.8	487.3

[1] Consisting of Afghanistan afghanis, Algerian dinars, Argentine australes, Australian dollars, Austrian schillings, Bahrain dinars, Belgian francs, Botswana pula, Brazilian cruzeiros, Burkina Faso CFA francs, Chilean pesos, Chinese yuan, Colombian pesos, Danish kroner, Ecuadoran sucres, Ethiopian birr, Fiji dollars, Finish markkaa, Guatemalan quetzales, Indian rupees, Indonesian rupiahs, Iranian rials, Iraqi dinars, Irish pounds, Japanese yen, Jordan dinars, Kuwaiti dinars, Libyan dinars, Luxembourg francs, Malaysian ringgit, Maltese liri, Mexican pesos, Netherlands guilders, Niger CFA francs, Nigerian naira, Norwegian kroner, Riyals Omani, Paraguayan guaranies, Qatar riyals, Saudi Arabian riyals, Singapore dollars, South African rand, Spanish pesetas, Swedish kronor, Trinidad and Tobago dollars, U.A.E. dirhams, Uruguayan new pesos, Venezuelan bolivares, and Yemen Arab Republic rials. Sales of SDR are excluded.

NOTE.—Details may not add to totals due to rounding.

Source: International Monetary Fund.

TABLE C-3.—*International Monetary Fund currency repurchases, by currency of repurchase, calendar years, as of Sept. 30, 1985*

[Millions of SDRs]

Period	Total[1]	U.S. dollars	Deutsche mark	Italian lire	Canadian dollars	French francs	Other[2]	SDRs	Gold
Total	45,210.6	14,036.9	7,008.7	1,166.8	1,808.0	1,390.3	10,250.5	7,971.3	1,578.1
1985 (Through September)	2,597.3	860.2	86.8	64.6	46.5	88.8	589.3	861.2	....
1984	2,294.7	914.8	160.3	69.8	36.0	54.5	521.2	538.1	....
1983	2,032.8	762.4	260.8	18.1	21.9	....	564.2	405.4	....
1982	1,752.1	508.4	160.5	....	15.2	15.0	302.8	750.2	....
1981	2,109.9	456.3	280.1	15.0	105.1	0.2	423.1	830.1	....
1980	3,345.0	588.0	680.6	....	....	....	801.6	1,274.8	....
1979	4,215.2	1,527.8	1,264.4	....	39.3	15.7	875.8	492.2	....
1978	4,845.4	2,013.6	847.7	....	201.6	222.9	1,212.2	347.3	....
1977	2,936.5	1,197.3	471.9	....	59.0	83.2	287.7	837.4	....
1976	1,272.1	465.8	128.7	....	28.6	73.5	129.6	445.8	....
1975	492.1	121.7	122.7	....	18.1	29.9	162.6	37.1	....
1974	627.6	....	257.2	27.0	26.2	25.2	273.9	18.2	....
1973	635.0	....	189.7	39.6	59.5	51.2	246.4	45.5	3.1
1972	1,526.6	....	337.3	75.2	93.9	120.7	374.9	494.3	30.4
1971	2,812.9	38.3	63.0	0.3	351.3	44.5	1,535.4	301.5	478.6
1970	1,403.9	742.0	3.8	67.8	40.4	....	242.1	292.3	15.5
1969	1,585.1	267.7	391.8	271.4	43.2	0.1	528.6	....	82.3
1968	1,286.2	....	281.6	327.5	7.3	90.5	493.6	....	85.7
1967	923.4	....	295.2	89.0	45.1	184.0	299.3	....	10.8
1966	480.2	0.5	14.7	7.5	412.2	23.1	11.0	....	11.4
1965	381.7	....	121.9	38.5	107.1	19.0	53.9	....	41.4
1964	513.4	4.8	264.6	5.5	....	125.2	93.5	....	19.8
1963	299.2	206.6	2.9	5.0	....	8.0	28.2	....	48.5
1947–62	4,841.9	3,360.6	320.4	45.0	50.7	115.0	199.7	....	750.6

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[1] Includes SDR 626.9 million of repurchases on subscription account, SDR 448.4 million of repurchases of charges paid in currencies and SDR 58.9 million of repurchases of currencies resulting from the Fund's gold distributions.

[2] Consisting of Algerian dinars, Argentine australes, Australian dollars, Austrian schillings, Bahamian dollars, Belgian francs, Brazilian cruzeiros, Burkina Faso CFA francs, Burundi francs, Chinese yuan, Colombian pesos, Danish kroner, Finnish markkaa, Greek drachmas, Guatemalan quetzales, Indonesian rupiahs, Irish pounds, Japanese yen, Kuwaiti dinars, Luxembourg francs, Malaysian ringgit, Maltese lire, Mexican pesos, Netherlands guilders, Paraguayan guaranies, Pounds sterling, Qatar riyals, Rwanda francs, Saudi Arabian riyals, Singapore dollars, South African rand, Spanish pesetas, Swedish kronor, Trinidad and Tobago dollars, Tunisian dinars, U.A.E. dirhams, and Venezuelan bolivares.

NOTE.—Details may not add to totals due to rounding.

Source: International Monetary Fund.

TABLE C–4.—*IMF status of stand-by arrangements and arrangements under the extended fund facility as of Sept. 30, 1985*

[Millions of SDRs]

Member	Beginning Date	Expiration Date	Amount Agreed			Amount Purchased		
			Ordinary Resources	EAR	Total	Ordinary Resources	EAR	Undrawn Balance
Stand-by Arrangements								
Argentina	December 28, 1984	March 27, 1986	709.5	709.5	1,419.0	354.8	354.8	709.5
Belize	December 3, 1984	March 31, 1986	7.1	....	7.1	4.8	....	2.4
Central African Republic	September 23, 1985	March 22, 1987	7.5	7.5	15.0	0.5	0.5	14.0
Costa Rica	March 13, 1985	April 12, 1986	27.0	27.0	54.0	12.0	12.0	30.0
Dominican Republic	April 15, 1985	April 14, 1986	78.5	....	78.5	28.0	....	50.5
Ecuador	March 11, 1985	March 10, 1986	52.8	52.8	105.5	10.6	10.6	84.4
Equatorial Guinea	June 28, 1985	June 27, 1986	9.2	....	9.2	2.3	....	6.9
Ghana	August 27, 1984	December 31, 1985	83.5	96.5	180.0	75.0	75.0	30.0
Ivory Coast	June 3, 1985	June 2, 1986	33.1	33.1	66.2	13.2	13.2	39.7
Jamaica	July 17, 1985	May 31, 1987	33.4	81.6	115.0	7.5	7.5	100.0
Kenya	February 8, 1985	February 7, 1986	42.6	42.6	85.2	25.6	25.6	34.1
Korea	July 12, 1985	March 10, 1987	280.0	....	280.0	40.0	....	40.0
Liberia	December 7, 1984	June 6, 1986	21.4	21.4	42.8	4.3	4.3	34.3
Madagascar	April 23, 1985	April 22, 1986	14.8	14.8	29.5	8.3	8.3	13.0
Mauritania	April 12, 1985	April 11, 1986	12.0	....	12.0	4.8	....	7.2
Mauritius	March 1, 1985	August 31, 1986	24.5	24.5	49.0	10.5	10.5	28.0
Morocco	September 12, 1985	February 28, 1987	100.0	100.0	200.0	5.0	5.0	190.0
Niger	December 5, 1984	December 4, 1985	8.0	8.0	16.0	6.4	6.4	3.2
Panama	July 15, 1985	March 31, 1987	45.0	45.0	90.0	11.7	11.7	66.6
Philippines	December 14, 1984	June 13, 1986	307.5	307.5	615.0	95.5	95.5	424.0
Senegal	January 16, 1985	July 15, 1986	26.2	50.4	76.6	0.4	22.6	31.5
Somalia	February 22, 1985	February 21, 1986	11.1	11.1	22.1	1.0	1.0	20.1
Thailand	June 14, 1985	March 31, 1987	193.4	206.6	400.0	50.0	50.0	300.0
Togo	May 17, 1985	May 16, 1986	6.7	8.7	15.4	2.0	2.0	11.4
Uruguay	September 27, 1985	March 26, 1987	61.4	61.4	122.9	....	....	122.9
Yugoslavia	May 16, 1985	May 15, 1986	150.0	150.0	300.0	38.8	48.8	202.5
Zaire	April 24, 1985	April 23, 1986	162.0	....	162.0	63.0	....	99.0
Zambia	July 26, 1984	April 20, 1986	112.5	112.5	225.0	40.0	40.0	145.0
			2,620.5	2,172.5	4,792.9	947.9	805.0	3,040.1
Arrangements Under the Extended Fund Facility								
Brazil	March 1, 1983	February 28, 1986	1,396.5	2,842.9	4,239.4	1,371.6	1,371.6	1,496.3
Chile	August 15, 1985	February 28, 1986	375.0	375.0	750.0	31.3	31.3	687.5
Malawi	September 19, 1983	September 18, 1986	18.5	62.5	81.0	18.5	30.5	32.0
Mexico	January 1, 1983	December 31, 1985	1,123.5	2,287.1	3,410.6	1,123.5	1,379.2	907.9
			2,913.5	5,567.5	8,481.0	2,544.9	2,812.5	3,123.7
Totals			5,534.0	7,740.0	13,273.9	3,492.7	3,617.5	6,163.8

NOTE.—Details may not add to totals due to rounding.

Source: International Monetary Fund.

TABLE C–5.—*International Monetary Fund borrowings under the General Arrangements to Borrow, from inception through Sept. 30, 1985*

[Millions of SDRs]

Country	Arrangements September 30, 1985	Cumulative operations inception—September 30, 1985			Operations during October 1, 1984 through September 30, 1985		Available September 30, 1985
		Borrowings	Transfers of claims	Repayments	Borrowings	Repayments	
Belgium	595.0	167.7	10.0	177.7	....	....	595.0
Canada	892.5	176.0	30.0	206.0	....	....	892.5
France	1,700.0	277.7	-140.0	137.7	....	....	1,700.0
Germany	2,380.0	1,958.6	-130.0	1,828.6	....	....	2,380.0
Italy	1,105.0	335.0	105.0	440.0	....	....	1,105.0
Japan	2,125.0	683.3	85.0	768.3	....	....	2,125.0
Netherlands	850.0	243.6	40.0	283.6	....	....	850.0
Sweden	382.5	91.1	....	91.1	....	....	382.5
Switzerland	1,020.0	153.9	....	153.9	....	....	1,020.0
United Kingdom	1,700.0	....	....	....	....	....	1,700.0
United States	4,250.0	575.3	....	575.3	....	....	4,250.0
Total	17,000.0	4,662.2	....	4,662.2	....	....	17,000.0

NOTE.—Details may not add to totals due to rounding.
Source: International Monetary Fund.

TABLE C–6.—*International Monetary Fund—Compensatory Financing Facility Drawings from inception through September 30, 1985*

[Millions of SDRs]

	Period (Calendar years)									
	Cumulative 1963–77	1978	1979	1980	1981	1982	1983	1984	Jan.-September 1985	Cumulative 1963–85 September
All countries	3,769.8	577.7	572.0	980.4	1,242.5	2,627.7	2,838.7	815.9	809.9	14,234.6
Industrial countries	532.2	98.8				21.5				652.5
Australia	332.5									332.5
Iceland	19.0					21.5				40.5
New Zealand	180.7									180.7
Spain		98.8								98.8
Oil Exporting Countries	17.5						360.0			377.5
Indonesia							360.0			360.0
Iraq	17.5									17.5
Nonoil developing countries	3,220.1	479.0	572.0	980.4	1,242.5	2,606.3	2,478.7	815.9	809.9	13,204.8
Africa	697.8	151.6	216.4	113.0	424.1	1,130.2	493.3	86.4	162.2	3,474.8
Burundi	2.5		9.5							12.0
Cameroon	17.5									17.5
Central African Republic	5.1				9.0					14.1
Chad	6.5				7.1				7.0	20.6
Congo	6.5									6.5
Equatorial Guinea				6.4	4.7					11.1
Ethiopia			36.0		18.0					54.0
Gambia, The	3.5	4.5			9.0					17.0
Ghana	17.3						120.5	58.2		196.0
Guinea	6.0									6.0
Guinea-Bissau			1.1		1.9					3.0
Ivory Coast	26.0				114.0					140.0
Kenya	24.0		69.0			60.4				153.4
Liberia			20.5			34.7				55.2
Madagascar				29.2		21.8		14.4		65.4
Malawi			19.0		12.0		12.2	13.8		57.0
Mali				5.1						5.1
Mauritania	6.5			10.5						17.0
Mauritius	11.0				40.5				7.5	59.0
Morocco	56.5	56.0				236.4			115.1	464.0
Niger							24.0			24.0
Senegal		21.0			42.0					63.0
Sierra Leone	12.5				45.7		20.7			33.2
Somalia									32.6	32.6
South Africa	160.0					636.0				796.0
Sudan	56.0	21.3	36.0	21.8			39.1			219.9
Swaziland							9.0			9.0
Tanzania	21.0		20.3	15.0	15.9					72.2
Togo	7.5				45.0					7.5
Tunisia	24.0				59.3					24.0
Uganda	20.0		5.0	25.0						95.0
Zaire	113.0					106.9	114.5			334.4
Zambia	95.0	48.8				34.0	97.2			334.3
Zimbabwe							56.1			56.1
Asia	887.7	79.5	45.3	529.8	448.1	497.5	219.0	279.7	244.7	3,231.0
Afghanistan	4.8									4.8
Bangladesh	101.6					131.2			55.0	287.8
Burma	29.0					25.6	29.2			83.8
Fiji	6.5					13.5			4.8	24.8
India	152.0			266.0						418.0

TABLE C-6.—*International Monetary Fund—Compensatory Financing Facility Drawings from inception through September 30, 1985—Continued*

[Millions of SDRs]

	Period (Calendar years)									
	Cumulative 1963–77	1978	1979	1980	1981	1982	1983	1984	Jan.-September 1985	Cumulative 1963–85 September
Asia—Continued										
Kampuchea, Dem.	12.5									12.5
Korea	40.0			160.0		106.2		279.7		585.9
Lao, PDR of	6.5									6.5
Malaysia	93.3				189.8					282.8
Nepal		9.5		10.5						20.0
Pakistan	117.5					180.2				297.7
Papua New Guinea	10.0				45.0					55.0
Philippines	116.3		44.2	93.3			188.6			442.4
Solomon Islands			1.1			1.6				2.7
Sri Lanka	98.6				25.3	39.2				163.1
Thailand	67.0	68.8			186.0				185	506.8
Vietnam	31.0									31.0
Western Samoa	1.5	1.3			2.0		1.2			5.9
Europe	376.8	74.5	189.7	331.4	169.5	72.0	258.0	54.6		1,526.4
Cyprus	13.0		9.9							22.9
Greece	58.0									58.0
Hungary						72.0				72.0
Portugal	87.8						258.0	54.6		400.4
Romania	142.5		41.3	121.3	169.5					474.5
Turkey	75.5	74.5		71.6						221.6
Yugoslavia			138.5	138.5						277.0
Middle East	276.8	72.4							57.4	406.6
Egypt	180.0									180.0
Israel	65.0	72.4								137.4
Jordan	7.3								57.4	64.7
Syrian Arab Republic	22.0									22.0
Yemen, PDR of	2.5									2.5
Western Hemisphere	981.1	101.0	120.7	6.3	200.9	906.6	1,508.6	395.2	345.6	4,565.9
Argentina	284.0						520.1		275.0	1,079.1
Barbados	6.5					12.6				19.1
Belize							3.6			3.6
Bolivia		15.0					17.9			32.9
Brazil	60.0					498.8	466.3	247.9		1,272.9
Chile	158.0						295.0		70.6	523.6
Colombia	20.8									20.8
Costa Rica			20.5		30.1		18.6			69.2
Dominica			1.0		2.0					2.9
Dominican Republic	28.1		33.5			36.0	42.8			140.4
Ecuador	6.3						85.4			91.7
El Salvador	6.3				32.3	32.3				70.8
Grenada					2.1					2.1
Guatemala	6.3				76.5					82.8
Guyana	15.0	8.8		6.3		5.9				35.9
Haiti	2.3				17.0					19.3
Honduras						46.4				46.4
Jamaica	39.8	15.8	31.8		37.0	19.4		72.6		216.3
Mexico	185.0									185.0
Nicaragua			34.0							34.0
Panama	18.0						58.9			76.9
Peru	92.3	61.5				199.9		74.7		428.4

TABLE C–6.—*International Monetary Fund—Compensatory Financing Facility Drawings from inception through September 30, 1985—Continued*

[Millions of SDRs]

	Period (Calendar years)									
	Cumulative 1963–77	1978	1979	1980	1981	1982	1983	1984	Jan.-September 1985	Cumulative 1963–85 September
Western Hemisphere—Continued										
St. Lucia	......	......	......	......	2.7	......	......	......	......	2.7
St. Vincent	......	......	......	......	1.3	......	......	......	......	1.3
Uruguay	52.7	......	......	......	......	55.3	......	......	......	108.0

NOTE.—Details may not add to totals due to rounding. *Source:* International Monetary Fund.

TABLE C–7.—*International Monetary Fund Supplementary Financing Facility Drawings*

[Millions of SDRs]

	Period (Calendar years)							
	1979	1980	1981	1982	1983	1984	January-September 1985	Cumulative 1979–85 September
All Countries	306.9	1,218.3	2,039.7	1,710.7	1,678.0	200.5	....	7,154.1
Nonoil Developing Countries	306.9	1,218.3	2,039.7	1,710.7	1,678.0	200.5	....	7,154.1
Africa	28.1	264.5	325.8	209.4	140.4	....	....	968.2
Gambia, The	......	......	......	4.8	......	....	....	4.8
Ivory Coast	......	......	88.4	57.7	140.4	....	....	286.4
Kenya	......	33.7	16.4	44.7	......	....	....	94.8
Liberia	......	11.5	20.3	11.1	......	....	....	42.9
Madagascar	......	5.1	17.1	......	......	....	....	22.2
Malawi	......	14.4	13.8	......	......	....	....	28.1
Mauritania	......	6.1	1.4	8.5	......	....	....	16.0
Mauritius	13.1	22.8	20.0	13.3	......	....	....	69.2
Morocco	......	73.5	64.0	......	......	....	....	137.5
Senegal	......	20.6	7.8	25.8	......	....	....	54.1
Sierra Leone	......	......	17.2	......	......	....	....	17.2
Sudan	15.0	60.5	52.3	43.6	......	....	....	171.4
Tanzania	......	16.3	......	......	......	....	....	16.3
Togo	......	......	7.3	......	......	....	....	7.3
Asia	......	401.3	914.9	587.5	692.5	200.0	....	2,796.2
Bangladesh	......	57.0	53.0	......	......	....	....	110.0
India	......	......	......	450.0	550.0	200.0	....	1,200.0
Korea	......	161.8	454.3	......	......	....	....	616.1
Pakistan	......	49.5	207.6	137.5	142.5	....	....	537.1
Philippines	......	133.0	200.0	......	......	....	....	333.0
Europe	70.0	434.9	673.1	830.7	844.0	....	....	2,852.7
Turkey	70.0	310.0	400.0	300.0	290.0	....	....	1,370.0
Yugoslavia	......	124.8	273.1	530.7	554.0	....	....	1,482.7
Western Hemisphere	208.7	117.7	125.9	83.1	1.2	0.5	....	537.0
Bolivia	......	25.5	......	......	......	....	....	25.5
Costa Rica	......	5.1	11.3	......	......	....	....	16.4
Dominica	......	......	1.4	1.4	1.2	0.5	....	4.5
Guyana	8.6	14.2	8.1	......	......	....	....	30.9
Jamaica	77.9	......	67.7	81.7	......	....	....	227.2
Panama	......	......	37.5	......	......	....	....	37.5
Peru	122.3	72.8	......	......	......	....	....	195.1

NOTE.—Details may not add to totals due to rounding. *Source:* International Monetary Fund.

TABLE C-8.—*International Monetary Fund Enlarged Access Drawings*

[Millions of SDRs]

	Period (Calendar years)					
	1981	1982	1983	1984	January-September 1985	Cumulative 1981-85 September
All Countries	786.1	845.6	3,655.4	3,262.0	1,266.6	9,815.8
Nonoil Developing Countries	786.1	845.6	3,655.4	3,262.0	1,266.6	9,815.8
Africa	403.4	228.7	737.5	658.9	269.6	2,298.2
Central African Rep.	....	....	4.5	......	0.5	5.0
Ethiopia	19.7	12.8	......	......	....	32.5
Gambia, The	....	4.1	......	1.3	....	5.4
Ghana	....	....	69.8	77.7	45.0	192.5
Ivory Coast	....	....	......	......	13.2	13.2
Kenya	....	....	120.1	46.2	25.6	191.8
Liberia	....	3.6	49.4	31.3	....	84.3
Madagascar	....	14.9	5.6	13.5	11.3	45.2
Malawi	....	....	10.0	14.1	15.0	39.0
Mali	....	....	10.0	12.0	3.3	25.3
Mauritius	....	....	22.1	24.8	10.5	57.4
Morocco	....	120.2	62.4	140.0	95.0	417.5
Niger	....	....	......	1.6	4.8	6.4
Senegal	....	1.4	17.2	21.1	22.6	62.2
Sierra Leone	....	....	......	8.6	....	8.5
Somalia	13.2	17.6	41.2	......	1.0	73.0
Sudan	....	....	109.3	35.5	....	144.8
Togo	....	....	10.9	1.0	2.0	13.9
Uganda	39.9	54.2	106.5	21.0	....	221.5
Zaire	107.6	....	......	91.4	20.0	219.0
Zambia	223.0	....	36.9	79.3	....	339.2
Zimbabwe	....	....	61.7	38.8	....	100.5
Asia	329.5	325.9	565.8	437.9	199.8	1,858.8
India	150.0	300.0	200.0	100.0	....	750.0
Korea	....	....	192.0	287.9	95.9	575.8
Philippines	....	....	......	42.5	53.0	95.5
Sri Lanka	....	....	10.5	6.7	....	17.2
Thailand	179.5	25.9	163.3	......	50.0	418.6
Western Samoa	....	....	......	0.8	0.8	1.7
Europe	53.2	217.0	313.9	572.3	93.8	1,250.2
Hungary	....	47.9	181.4	212.5	....	441.8
Portugal	....	....	32.3	81.3	....	113.5
Romania	53.2	169.1	100.3	138.6	....	461.2
Yugoslavia	....	....	......	140.0	93.8	233.8
Western Hemisphere	....	74.0	2,038.1	1,592.9	703.5	4,408.6
Argentina	....	....	263.7	......	354.8	618.5
Barbados	....	3.2	7.9	3.9	....	15.0
Brazil	....	....	623.4	748.1	....	1,371.6
Chile	....	....	129.0	108.0	31.3	268.3
Costa Rica	....	....	45.9	......	12.0	57.9
Dominican Republic	....	....	61.9	......	....	61.9
Ecuador	....	....	56.1	19.7	10.6	86.3
Grenada	....	....	1.1	......	....	1.1
Guatemala	....	....	25.2	9.6	....	34.8
Haiti	....	5.4	16.1	7.0	....	28.5
Honduras	....	11.2	25.0	......	....	36.3
Jamaica	....	54.2	112.2	......	7.5	173.9
Mexico	....	....	501.6	601.9	275.7	1,379.2
Panama	....	....	25.5	94.8	11.7	132.0
Peru	....	....	53.9	......	....	53.9
Uruguay	....	....	89.6	......	....	89.6

NOTE.—Details may not add to totals due to rounding.

Source: International Monetary Fund.

SECTION D.—International Bank for Reconstruction and Development

TABLE D-1.—*IBRD loans approved by country and purpose, Oct. 1, 1984, to Sept. 30, 1985*

[Millions of dollars]

Country	Amount	Purpose
Algeria	262.0	Water Supply
Argentina	180.0	Energy
Botswana	10.7	Agriculture
Brazil	61.3	Rural Development
	100.0	Rural Development
	61.4	Rural Development
	300.0	Industry
	72.0	Education
	400.0	Energy
	312.0	Energy
	200.0	Transportation
	24.5	Urban Development
	16.3	Water Supply
Cameroon	25.5	Rural Development
	8.3	Agriculture
	125.0	Transportation
Chile	56.0	Agriculture
	100.0	Development Finance Corporation
	40.0	Industry
	140.0	Transportation
	80.0	Urban Development
	11.0	Technical Assistance
China	17.0	Irrigation
	25.0	Energy
	97.0	Industry
	126.0	Energy
	117.0	Energy
	42.6	Transportation
	235.0	Transportation
Colombia	90.0	Development Finance Corporation
	130.0	Energy
	300.0	Structural Adjustment
	36.5	Health
	129.0	Water Supply
Costa Rica	80.0	Structural Adjustment
	3.5	Technical Assistance
Cyprus	7.0	Agriculture
Dominican Republic	5.8	Education
	35.8	Transportation
Ecuador	8.0	Technical Assistance
Egypt	68.0	Irrigation
	139.0	Agriculture
	19.3	Education
	37.0	Transportation
Fiji	6.5	Development Finance Corporation
Guatemala	44.6	Energy
Honduras	6.9	Urban Development
Hungary	80.0	Agriculture
	73.0	Industry
	49.5	Industry
	75.0	Transportation
India	200.0	Irrigation
	300.0	Industry
	248.0	Energy
	176.0	Energy
	250.0	Energy
	300.0	Energy
	200.0	Transportation
Indonesia	160.0	Rural Development
	11.3	Rural Development
	156.0	Irrigation
	43.4	Irrigation
	131.0	Agriculture
	78.0	Education
	147.0	Education
	93.0	Education
	39.0	Health
	46.0	Health
	50.0	Energy
	111.0	Transportation
Ivory Coast	31.3	Agriculture
	30.0	Industry
	22.2	Health
	110.0	Transportation
Jamaica[1]	55.0	Structural Adjustment
	9.0	Technical Assistance
Jordan	15.0	Development Finance Corporation
	13.5	Health
	28.0	Urban Development
	30.0	Water Supply
Kenya	32.6	Telecommunications
Korea, Republic of	25.0	Agriculture
	222.0	Development Finance Corporation
	111.0	Industry
	50.0	Industry
	67.0	Transportation
	53.0	Urban Development
	95.0	Water Supply
	38.0	Water Supply
Malawi	6.4	Industry
Malaysia	31.2	Agriculture
	6.5	Agriculture
	52.1	Industry
	73.3	Education
Mexico	180.0	Agriculture

TABLE D-1.—*IBRD loans approved by country and purpose, Oct. 1, 1984, to Sept. 30, 1985*—Continued

[Millions of dollars]

Country	Amount	Purpose
Mexico	90.0	Rural Development
	105.0	Development Finance Corporation
	81.0	Education
	22.0	Transportation
	300.0	Transportation
	150.0	Urban Development
Morocco	100.0	Agriculture
	25.1	Development Finance Corporation
	200.0	Development Finance Corporation
	27.1	Education
	27.0	Energy
	28.4	Health
Nigeria	5.0	Development Finance Corporation
	34.0	Health
	53.0	Urban Development
	72.0	Urban Development
	72.0	Water Supply
	13.0	Technical Assistance
Oman	23.0	Telecommunications
Pakistan	178.0	Energy
	55.0	Energy
	100.0	Energy
	100.0	Energy
Panama	51.0	Energy
Papua New Guinea	18.8	Agriculture
	9.7	Rural Development
	27.6	Agriculture
Peru	4.0	Industry
	13.5	Energy
Philippines	100.0	Agriculture
Philippines	4.0	Telecommunications
Portugal	66.0	Transportation
Seychelles	6.2	Transportation
Sri Lanka	38.0	Agriculture
	24.0	Transportation
Swaziland	8.6	Transportation
Syria	7.5	Agriculture
Thailand	85.0	Energy
	27.5	Urban Development
Tunisia	15.0	Rural Development
	22.0	Irrigation
	27.7	Irrigation
	54.0	Development Finance Corporation
	50.0	Industry
Turkey	300.0	Agriculture
	57.7	Education
	55.1	Industry
	142.0	Energy
	140.0	Energy
	134.5	Transportation
	9.2	Urban Development
Uruguay	45.2	Energy
	4.0	Energy
Yugoslavia	35.0	Agriculture
	92.5	Energy
	125.0	Energy
Zimbabwe	10.0	Development Finance Corporation
Total	12,467.6	
International Finance Corporation	350.0	
	12,817.6	

Source: International Bank for Reconstruction and Development.

TABLE D-2.—*IBRD loan commitments and disbursements, by fiscal years through Sept. 30, 1985*

[Millions of dollars]

Fiscal year	Number of loans	Loan commitments[1]	Disbursements
Total	2,593	116,328	71,339
1985	150	12,817	8,430
1984	120	11,421	9,234
1983	138	11,766	7,164
1982	146	9,878	6,555
1981	141	9,308	5,262
1980	148	8,164	4,535
1979	148	7,182	3,879
1978	132	6,004	2,917
1977	150	5,541	2,810
1976 Transition quarter	28	834	592
1976	141	5,047	2,535
1975	122	4,370	2,096
1974	105	3,328	1,608
1973	73	2,091	1,209
1972	72	2,026	1,202
1971	78	1,921	955
1970	69	1,680[2]	772
1969	82	1,399	762
1968	44	847	772
1967	46	877	790
1966	37	839	668
1965	38	1,023	606
1964	37	810	559
1963	28	449	620
1962	29	882	485
1961	27	610	398
1947 to 1960	264	5,181	3,922

[1] Includes cancellations, refundings, and terminations totalling $5,405.9 million and loans approved but not yet effective totalling $9,509.8 million. Excludes Pakistan loans totalling $46.2 million consolidated into one loan to Bangladesh.

[2] A $100,000,000 Bank loan to IFC in 1966 was consolidated into a single loan of $200,000,000 in December 1969. The first $100,000,000 is included in fiscal year 1967.

NOTE.—Detail may not add to total due to rounding.

Source: International Bank for Reconstruction and Development.

TABLE D-3.—*IBRD statement of changes in financial positions, fiscal year ending June 30, 1984 and June 30, 1985*

[Thousands of dollars]

		1985	1984[1]
Lending activities:			
Disbursements	$8,868,687		$ 8,673,599
Repayments	(2,975,014)		(2,544,100)
Sales	(329)		(1,544)
Adjustments of loans outstanding as a result of net currency depreciations	(2,351,654)		(2,034,970)
Total financial resources used in lending activities		$ 3,541,690	4,092,985
Financial resources for lending activities were provided by (applied to):			
Operations:			
Net income	1,137,127		600,039
Non-cash items (Accrued income on loans and investments, accrued charges on borrowings and administrative expenses, depreciation, amortization of discounts, premiums, and issuance costs)	324,530		168,807
Financial resources provided by operations	1,461,657		768,846
Transfers to International Development Association	(100,000)		(200,000)
		1,361,657	568,846
Financing activities:			
Medium- and long-term borrowings:			
New issues	10,227,166		8,427,545
Retirements	(3,947,680)		(2,656,551)
Adjustments as a result of net currency depreciations	(1,884,948)		(1,637,568)
Decrease in amounts receivable for contracts to borrow	83,789		151,668
		4,478,327	4,285,094
Increase in short-term borrowings		714,991	1,233,273
Capital:			
New subscriptions (46,322 shares—1985, 55,593 shares—1984)	402,645		483,203
Adjustments as a result of depreciation of the SDR in terms of the US dollar	(228,101)		(234,218)
Increase in amounts required to maintain the value of currency holdings	(55,036)		(52,931)
Increase in restricted currencies and receivables	(20,192)		(13,701)
		99,316	182,353
Other activities:			
Change in nonearning assets and liabilities:			
Increase in payable to International Development Association	95,000		200,000
Other, net	(493,917)		(467,244)
		(398,917)	(267,244)
Translation adjustments		(222,361)	(236,580)
Total financial resources provided		6,033,013	5,765,742
Increase in cash and liquid investments		2,491,323	1,672,757
Cash and liquid investments, beginning of year		14,869,017	13,196,260
Cash and liquid investments, end of year		$17,360,340	$14,869,017
Composed of:			
Investments		$19,776,795	$15,574,434
Unrestricted currencies		66,900	106,012
Payable for investment securities purchased net of receivable for investment securities sold		(2,483,355)	(811,429)
		$17,360,340	$14,869,017

[1] Reclassified for comparative purposes.

Source: International Bank for Reconstruction and Development.

TABLE D-4.—*IBRD gross borrowings in fiscal year 1985*

[Millions of dollars]

Date of Issue	Type of Issue	New Funds	Old Funds	Totals
10/01/84	f. 9.00 percent loan, due 1990/94	90.1		90.1
10/01/84	SwF 6.25 percent loan, due 1988/93	28.7		28.7
10/02/84	BF 11.5 percent six-year bonds, due 1990	50.5		50.5
10/02/84	Can$ 12.75 percent seven-year notes, due 1991 (Euro-Can$)	57.8		57.8
10/05/84	SwF 6.625 percent notes, due 1989	146.1		146.1
10/12/84	NKr 11 percent seven-year notes, due 1991 (Euro-NKr)	29.4		29.4
10/15/84	SwF 5.625 percent two-year notes, due 1986		124.5	124.5
10/15/84	DM 7.625 percent notes, due 1990	66.8		66.8
10/15/84	SwF 6.125 percent bonds, due 1991	99.7		99.7
10/15/84	SwF 6.50 percent loan, due 1992	40.0		40.0
10/16/84	Y 7.90 percent loan, due 1992	81.5		81.5
10/16/84	Y 7.90 percent loan, due 1992	81.5		81.5
10/19/84	DM 7.375 percent loan, due 1989	32.3		32.3
10/25/84	Can$ 12.50 percent seven-year notes, due 1991 (Asian-Can$)	57.1		57.1
10/26/84	Y 7.34 percent yen obligations, due 1991		60.4	60.4
10/31/84	SwF 6.25 percent loan, due 1990	31.4		31.4
11/01/84	DM 7.625 percent ten-year bonds, due 1994	129.1		129.1
11/01/84	f. 8.25 percent loan, due 1989/91	17.6		17.6
11/09/84	SwF 5.5625 percent notes, due 1986 (Tranche I)		40.1	40.1
11/09/84	SwF 5.625 percent notes, due 1987 (Tranche II)		40.1	40.1
11/14/84	SwF 6.30 percent loan, due 1991	30.6		30.6
11/15/84	f. 7.75 percent five-year notes, due 1989 (Euro-guilders)	29.4		29.4
11/15/84	SwF 6 percent notes, due 1990	117.8		117.8
11/16/84	DM 7.58 percent loan, due 1990	34.3		34.3
11/20/84	$ 12.25 percent ten-year notes, due 1994 (Eurodollars)	150.0		150.0
11/30/84	ECU 10.25 percent five-year bonds, due 1989 (Tranche I)	89.9		89.9
11/30/84	ECU 10.625 percent ten-year bonds, due 1994 (Tranche II)	53.9		53.9
12/01/84	DM 7.375 percent notes, due 1991	68.6		68.6
12/01/84	DM 7.125 percent notes, due 1989	67.8		67.8
12/01/84	SwF 5.25 percent two-year notes, due 1986	16.6	24.6	41.2
12/03/84	SwF 5.732 percent loan, due 1988 (Tranche I)	18.1		18.1
12/03/84	SwF 6.13 percent loan, due 1991 (Tranche II)	22.1		22.1
12/06/84	Y 7 percent fifteen-year bonds, due 1999 (29th Series)	205.4		205.4
12/13/84	DM 7.30 percent loan, due 1989	32.5		32.5
12/14/84	SwF 5.75 percent ten-year bonds, due 1994	28.8	33.0	61.8
12/14/84	L 10.625 percent notes, due 1989 (Tranche I) (Euro-sterling)	62.4		62.4
12/14/84	L 11 percent notes, due 1994 (Tranche II) (Euro-sterling)	62.3		62.3
12/14/84	f. 7.75 percent loan, due 1990/94	28.8		28.8
12/15/84	$ 11.625 percent ten-year notes, due 1994	300.0		300.0
12/17/84	Can$ 99-year floating-rate notes, due 2083	76.0		76.0
12/20/84	Y 6.625 percent ten-year bonds, due 1994 (Euro-yen)	81.1		81.1
12/28/84	AS 8.25 percent ten-year bonds, due 1994	41.8		41.8
01/03/85	SwF 6.75 percent loan, due 1992	29.3		29.3
01/08/85	Can$ 11.75 percent bonds, due 1990 (Saudi Arabia)	37.9		37.9
01/09/85	SwF 6 percent loan, due 1989	39.5		39.5
01/09/85	f. 7.5 percent bonds, due 1988/90 (Saudi Arabia)	86.1		86.1
01/09/85	SwF 6.125 percent loan, due 1990	197.6		197.6
01/10/85	SwF 5.25 percent bonds, due 1987/89 (Saudi Arabia)	49.0	49.0	98.0
01/11/85	DM 6.375 percent bonds, due 1987/89 (Saudi Arabia)	80.9		80.9
01/15/85	DM 7.125 percent ten-year bonds, due 1995	161.8		161.8
01/15/85	f. 7.875 percent loan, due 1986/2000 (Tranche I)	23.3		23.3
01/15/85	f. 7.875 percent loan, due 1991/2000 (Tranche II)	13.7		13.7
01/15/85	f. 7.875 percent loan, due 1996/2005 (Tranche III)	8.1		8.1
01/24/85	$ Five-year floating-rate notes, due 1990	150.0		150.0
01/31/85	Y 6.70 percent fifteen-year bonds, due 2000 (30th Series)	196.9		196.9
02/01/85	DM 7.25 percent ten-year bonds, due 1995	157.1		157.1
02/01/85	Lit 12.50 percent seven-year bonds, due 1992	51.2		51.2
02/01/85	DM 6.90 percent note, due 1990		79.4	79.4

TABLE D-4.—*IBRD gross borrowings in fiscal year 1985*—Continued

[Millions of dollars]

Date of Issue	Type of Issue	New Funds	Old Funds	Totals
02/01/85	Can$ 99-year floating-rate notes, due 2083	75.6		75.6
02/01/85	DM 7.63 percent loan, due 1990	31.5		31.5
02/06/85	$ 11 percent seven-year notes, due 1992 (Euro-dollars)	300.0		300.0
02/15/85	SwF 5.50 percent notes, due 1991	113.3		113.3
03/06/85	$ Zero Coupon Bonds, due 1985-2015	310.5		310.5
03/15/85	f. 8.25 percent bonds, due 1991/95	82.2		82.2
03/15/85	$ Undated floating-rate notes (Eurodollars)	500.0		500.0
03/15/85	$ 10.38 percent two-year bonds, due 1987	52.4	238.7	291.1
03/15/85	f. 8.75 percent loan, due 1991/2000 (Tranche I)	26.5		26.5
03/15/85	f. 8.625 percent loan, due 1988/1995 (Tranche II)	26.5		26.5
03/22/85	SwF 6 percent ten-year bonds, due 1995	70.7		70.7
03/27/85	Y 7.50 percent loan, due 1997	191.6		191.6
03/27/85	Y 7.50 percent loan, due 1997	115.0		115.0
03/29/85	Y 7.30 percent fifteen-year bonds, due 2000 (31st Series)	195.0		195.0
04/01/85	DM 7.75 percent ten-year bonds, due 1995	89.4		89.4
04/01/85	DM 7.50 percent notes, due 1990	59.6		59.6
04/02/85	$ Five-year floating-rate notes, due 1990	150.0		150.0
04/15/85	SwF 5.75 percent two-year notes, due 1987		78.2	78.2
04/23/85	Y 6.625 percent five-year bonds, due 1990 (Euro-yen)	98.0		98.0
04/25/85	f. 8 percent loan, due 1990	14.1		14.1
04/26/85	Y 6.91 percent yen obligations, due 1991 (April Issue)		60.2	60.2
04/30/85	AS 7.5 percent notes, due 1990	19.2		19.2
04/30/85	DM 7.25 percent notes, due 1992	63.7		63.7
04/30/85	SwF 6.25 percent loan, due 1990	28.2		28.2
04/30/85	ECU 9.5 percent notes, due 1992	42.7		42.7
05/08/85	Y 7 percent bonds, due 1990 (Saudi Arabia)	58.9		58.9
05/08/85	f. 7.5 percent bonds, due 1988/90 (Saudi Arabia)	70.5		70.5
05/09/85	SwF 5.875 percent bonds, due 1988/90 (Saudi Arabia)		75.3	75.3
05/10/85	DM 7.50 percent bonds, due 1988/90 (Saudi Arabia)	95.6		95.6
05/15/85	LuxF 9.25 percent five-year bonds, due 1990	15.8		15.8
05/15/85	f. 7.50 percent five-year notes, due 1990 (Euro-guilders)	42.7		42.7
05/15/85	L 11.25 percent ten-year notes, due 1995 (Euro-sterling)	109.1		109.1
05/25/85	f. 8.125 percent loan, due 1991/2000	29.6		29.6
05/31/85	DKr 11.625 percent bonds, due 1992 (Euro-DKr)	17.4		17.4
06/01/85	DM 7.125 percent notes, due 1991	62.9		62.9
06/07/85	ECU 9.375 percent ten-year bonds, due 1995	34.5		34.5
06/07/85	SwF 6.0625 percent loan, due 1990	77.7		77.7
06/24/85	SwF 6.16 percent loan, due 1995	42.7		42.7
07/10/85	Y 6.60 percent ten-year bonds, due 1995 (32nd Series)	200.9		200.9
07/10/85	f. 8.125 percent loan, due 1993/2000	29.3		29.3
07/10/85	f. 7.75 percent loan, due 1990	14.6		14.6
07/15/85	DM 7 percent notes, due 1990	65.8		65.8
07/15/85	SwF 5.50 percent notes, due 1990 (Tranche I)		77.1	77.1
07/15/85	SwF 5.75 percent notes, due 1992 (Tranche III)	57.8	38.6	96.4
07/22/85	FF 10.90 percent twelve-year bonds, due 1997	107.1		107.1
07/24/85	L 9.50 percent loan stock of 1985, due 2010	130.5		130.5
07/24/85	$ 10.125 percent ten-year notes, due 1995 (Eurodollar)	300.0		300.0
07/31/85	SwF 5.625 percent notes, due 1991 (Tranche II)		77.1	77.1
08/01/85	DM 7 percent ten-year bonds, due 1995	196.0		196.0
08/01/85	DM 6.35 percent note, due 1990		51.8	51.8
08/01/85	DM 6.50 percent loan, due 1990	34.7		34.7
08/09/85	SwF 5.25 percent two-year notes, due 1987	9.4	25.6	35.0
08/13/85	DM 7.05 percent loan, due 1992	19.8		19.8
08/14/85	Can$ 11 percent twenty-four year bonds, due 2009	73.8		73.8
08/15/85	SwF 5.50 percent notes, due 1990		57.9	57.9
08/15/85	$ 10.50 percent ten-year notes, due 1995 (Tokyo-dollar)	300.0		300.0
08/20/85	Y 7.30 percent loan, due 2000	189.9		189.9
08/20/85	Y 7.30 percent loan, due 2000	126.6		126.6

TABLE D-4.—*IBRD gross borrowings in fiscal year 1985*—Continued

[Millions of dollars]

Date of Issue	Type of Issue	New Funds	Old Funds	Totals
08/23/85	SwF 5.625 percent ten-year bonds, due 1995 (Tranche I)	42.4	....	42.4
08/23/85	SwF 6 percent twenty-year bonds, due 2005 (Tranche II)	84.7	....	84.7
08/23/85	SwF Zero Coupon Bonds, due 2015	46.7	....	46.7
09/01/85	f. 7.50 percent bonds, due 1991/97	123.8	....	123.8
09/04/85	DM 6.875 percent loan, due 1995	36.3	....	36.3
09/06/85	SwF 6.0625 percent loan, due 1995	44.1	....	44.1
09/10/85	AS 7.5 percent notes, due 1992	25.6	....	25.6
09/10/85	BF 10.5 percent loan, due 1992	26.6	....	26.6
09/10/85	DKr 10 percent notes, due 1992	22.3	....	22.3
09/10/85	DM 6.375 percent notes, due 1992	71.9	....	71.9
09/10/85	Y 6.75 percent bonds, due 1992	21.1	....	21.1
09/10/85	SwF 5.875 percent loan, due 1991	22.0	....	22.0
09/10/85	ECU 8.625 percent bonds, due 1993	100.0	....	100.0
09/11/85	Y 6.40 percent ten-year bonds, due 1995 (33rd Series)	422.2	....	422.2
09/15/85	$ 9.23 percent two-year bonds, due 1987	19.1	280.9	300.0
09/15/85	f. 6.50 percent notes, due 1990	31.9	....	31.9
09/20/85	SwF 5.75 percent loan, due 1990	86.5	86.6	173.1
09/26/85	BF 10.25 percent ten-year bonds, due 1995	86.9	....	86.9
	Total, medium- and long-term borrowings for the period October 1, 1984 to September 30, 1985	$10,423.6	$1,599.1	$12,022.7
	Short-term Borrowings[1]	....	....	3,515.0
	Grand Total	....	....	$15,537.7

[1] Outstanding short-term borrowings as of September 30, 1985 (Short-term Note Program and Central Bank Facility).

Source: International Bank for Reconstruction and Development.

TABLE D-5.—*IBRD borrowings and outstanding issues as of September 30, 1985*

[Millions of dollars]

Currency	Total borrowings		Total outstanding	
	No.	Amount	No.	Amount
U.S. dollars	193	33,359.1	82	20,053.9[2]
U.S. dollars/Swiss franc linked	1	100.0	1	100.0
Austrian schillings	8	232.6	4	224.2
Belgian francs	10	347.8	7	291.5
Canadian dollars	21	842.5	14	734.4
Danish kroner	2	43.7	2	43.7
Deutsche mark	230	16,671.7[1]	131	9,217.3
European currency unit	5	483.3	5	483.3
French francs	2	141.1	2	128.2
Italian lire	4	88.7	3	62.7
Japanese yen	107	15,257.1	88	12,012.6
Kuwaiti dinars	7	540.0	5	204.6
Lebanese pounds	1	4.0	...	....
Libyan dinars	3	236.4	1	101.3
Luxembourg francs	2	36.9	2	36.9
Netherlands guilders	75	3,694.7[1]	65	3,230.2
Norwegian kroner	2	43.9	2	43.9
Pounds sterling	18	1,548.1[1]	14	1,396.8
Saudi Arabian riyals	1	137.2	...	....
Swedish kronor	2	18.6	2	9.3
Swiss francs	179	13,133.9	117	9,189.7
U.A.E. dirhams	1	81.7	1	32.7
Venezuelan bolivares	2	36.3	1	1.0
Totals	886	87,079.3	546	57,598.2

[1] Includes amounts receivable under contracts.

[2] Includes short-term borrowings ($3,515.0).

Source: International Bank for Reconstruction and Development.

TABLE D-6.—*World Bank Co-financing operations, Oct. 1, 1984 to Sept. 30, 1985*

[Millions of dollars]

Region	Number of Projects With Cof.	Cofinanciers' Contribution							Bank Group Contribution		Total Project Costs
		Official		Export Credit		Private[1]		Total			
		No.	Amount	No.	Amount	No.	Amount	Amount	IBRD	IDA	
Eastern Africa	21	21	245.1	1	16.7	...	....	261.8	47.4	261.5	748.8
Western Africa	26	23	258.4	1	11.6	3	108.9	378.9	373.8	342.4	1,469.0
EMENA	18	12	170.1	3	231.4	4	465.0	866.5	1,118.6	10.0	3,237.5
LAC	14	6	203.3	7	454.0	5	490.0	1,147.3	1,311.1	45.9	6,438.7
East Asia	15	13	124.9	2	52.2	1	13.0	190.1	877.2	84.0	2,101.9
South Asia	21	18	1,171.3	7	539.9	1	140.0	1,851.2	1,590.0	794.7	10,342.5
Total	115	93	2,173.1	21	1,305.8	14	1,216.9	4,695.8	5,318.1	1,538.5	24,338.4

NOTE.—These figures are based on data available at the time of Board presentation as subsequently modified by year end revisions. The number of cofinancings by source is greater than the number of projects cofinanced because many projects are cofinanced from more than one source.

[1] Information furnished on private cofinancing relates to tentative financing plans at the time of Board approval of the projects and does not reflect actual placements in the market. Please see Table 2 attached for private cofinancing placed in this period.

Source: International Bank for Reconstruction and Development

TABLE D-7.—*Estimated effects of IBRD operations on U.S. balance of payments from inception of IBRD through June 30, 1985*

[Millions of dollars]

	Inception through 1976	IBRD fiscal year									Inception through 1985
		1977	1978	1979	1980	1981	1982	1983	1984	1985	
Current Account											
Procurement of Goods[1]	4,829	336	396	424	505	665	658	718	984	795	10,310
Interest to Bond Holders[2]	1,654	323	423	444	435	406	1,109	1,731	1,207	1,074	8,806
Interest to Loan Holders	194	4	4	4	4	2	1	*	*	*	213
Administrative Expenses including Issuance Cost of Bonds[2]	796	141	134	148	176	227	310	455	548	573	3,508
Currency Swap Activity										5	5
Investment Income	(2,065)	(379)	(305)	(341)	(421)	(385)	(426)	(648)	(387)	(1,116)	(6,473)
Balance on Current Account (A)	5,408	425	652	679	699	915	1,651	2,256	2,353	1,331	16,370
Capital Account											
Assets:											
US$ Payments	65	*	4	2	2	3	15	13	8	11	123
Local Currency Releases	583	*	34	15	15	*	129	21	26	16	839
Net IBRD Bond Sales	3,697	1,462	654	(117)	(352)	(566)	912	3,078	(108)	1,114	9,774
Net IBRD Loan Sales	70	(5)	7	(18)	(20)	(24)	(8)	1	*	*	3
Total Assets	4,415	1,457	699	(118)	(355)	(587)	1,048	3,113	(74)	1,141	10,739
Liabilities:											
Investments with maturities over one year[3]	653	987	3,063	(1,576)	1,091	542	(611)	249	399	3,953	8,750
Investments with maturities of one year or less[3]	4,232	331	(2,442)	1,842	(1,600)	(1,438)	510	2,469	(1,893)	958	2,969
Total Liabilities	4,885	1,318	621	266	(509)	(896)	(101)	2,718	(1,494)	4,911	11,719
Balance on Capital Account[4] (B)	470	(139)	(78)	384	(154)	(309)	(1,149)	(395)	(1,420)	3,770	980
Net Change (A) + (B)	5,878	286	574	1,063	545	606	502	1,861	933	5,101	17,350

[1] Includes procurement specifically identified as originating in the United States and the same proportion of procurement not identifiable by country of origin. The amounts for FY79 have been restated to exclude disbursements for loans to IFC.

[2] The amounts for FY 1982 to 1984 have been restated to include short-term borrowings.

[3] Excludes Euro-deposits.

[4] A positive sign indicates net increase in liabilities or a net decrease in assets; a negative sign indicates a net decrease in liabilities or a net increase in assets in accordance with standard balance of payments presentation.

*Less than .5 million.

Source: International Bank for Reconstruction and Development.

SECTION E.—International Development Association

TABLE E-1.—*IDA credits approved by country and purpose, Oct. 1, 1984 to Sept. 30, 1985*

[Millions of dollars]

Country	Amount	Purpose
Bangladesh	48.0	Rural Development
	78.0	Education
	110.0	Energy
	30.0	Structural Adjustment
Benin	5.0	Technical Assistance
Bhutan	9.0	Industry
Burkina Faso	13.7	Agriculture
	21.6	Education
	26.6	Health
Burma	14.5	Agriculture
	17.8	Transportation
Burundi	12.8	Agriculture
	12.3	Energy
	18 1	Transportation
	9.5	Water Supply
Cape Verde	4.0	Devt. Finance Corp.
Central African Republic	8.0	Technical Assistance
China	40.0	Agriculture
	75.0	Irrigation
	47.3	Agriculture
	145.0	Education
	30.0	Transportation
	80.0	Water Supply
Djibouti	5.0	Education
Equatorial Guinea	9.3	Rural Development
Ethiopia	30.0	Agriculture
Ghana	60.0	Structural Adjustment
	28.0	Energy
	40.0	Transportation
	22.0	Urban Development
Grenada	5.0	Agriculture
Guinea	8.0	Energy
	9.5	Technical Assistance
Guinea Bissau	10.0	Structural Adjustment
Guyana	8.8	Agriculture
Haiti	10.0	Education
	22.1	Energy
India	100.0	Irrigation
	150.0	Irrigation
	99.0	Irrigation
	160.0	Irrigation
	39.1	Agriculture
	49.0	Agriculture
	165.0	Agriculture
	51.0	Health
	138.0	Urban Development
	41.0	Water Supply
Kenya	6.0	Water Supply
Lesotho	3.5	Health
Liberia	2.6	Energy
	5.0	Water Supply
Madagascar	12.0	Irrigation
	40.0	Devt. Finance Corp.
	15.0	Water Supply
Malawi	11.6	Rural Development
	23.8	Agriculture
	15.0	Urban Development
Mali	19.5	Irrigation
	48.6	Transportation
Mauritania	7.5	Irrigation
	5.3	Devt. Finance Corp.
	16.4	Structural Adjustment
Mozambique	45.0	Structural Adjustment
Nepal	7.2	Agriculture
	22.0	Telecommunications
	7.5	Industry
	8.4	Education
Niger	9.3	Irrigation
Pakistan	150.0	Irrigation
	34.5	Irrigation
	8.3	Agriculture
	52.5	Education
Rwanda	11.5	Rural Development
	4.8	Technical Assistance
Sao Tome & Principe	5.0	Structural Adjustment
Senegal	24.0	Water Supply
Solomon Islands	2.0	Transportation
Somalia	10.6	Rural Development
	10.0	Rural Development
Sri Lanka	17.0	Irrigation
	55.0	Agriculture
Sudan	20.0	Agriculture
	5.5	Agriculture
	30.0	Energy
Tanzania	8.0	Energy
	27.0	Transportation
	10.0	Technical Assistance
Togo	12.4	Education
	27.8	Structural Adjustment
	6.2	Technical Assistance
Uganda	10.0	Rural Development
	5.1	Energy
	28.8	Energy
Western Samoa	2.0	Devt. Finance Corp.
Yemen Arab Republic	10.0	Rural Development
	8.0	Devt. Finance Corp.
	4.7	Technical Assistance

TABLE E-1.—*IDA credits approved by country and purpose, Oct. 1, 1983 to Sept. 30, 1985*—Continued

[Millions of dollars]

Country	Amount	Purpose	Country	Amount	Purpose
Yemen, Peoples Democratic Rep.	5.0	Rural Development	Zambia	25.0	Agriculture
	14.4	Transportation		7.1	Agriculture
Zaire	14.9	Agriculture		3.1	Industry
	12.5	Rural Development		20.0	Transportation
	55.0	Transportation	Total	3204.9	

Source: International Development Association.

TABLE E-2.—*IDA credit commitments and disbursements by fiscal years,[1] through Sept. 30, 1985*

[Millions of dollars]

Fiscal year[1]	Number of credits	Credit commitments[2]	Disbursements
Total	1,516	37,843[4]	23,267
1985	102	3,205	2,472
1984 (change)	102	3,606[3]	2,540
1983	105	3,174	2,552
1982	111	2,651	2,203
1981	99	3,923	1,872
1980	108	3,724	1,972
1979	109	2,597	1,258
1978	101	2,858	1,035
1977	71	1,437	1,262
1976 TQ	9	100	326
1976	73	1,655	1,252
1975	68	1,576	1,026
1974	69	1,095	711
1973	75	1,357	493
1972	68	1,000	261
1971	51	584	235
1970	50	606	143
1969	29	385	256
1968	16	107	319
1967	17	354	342
1966	12	284	267
1965	19	309	222
1964	17	283	124
1963	17	260	56
1962	16	134	12
1961	2	101	.....

[1] Information from 1961 to 1976 is based on fiscal year July 1–June 30 and thereafter based on fiscal year October 1–September 30.

[2] Includes cancellations, refundings and terminations totalling $935.4 million and credits approved but not yet effective totalling $2,552.6 million.

[3] Includes credit commitments approved under IDA-7 of $188.5 million which was excluded in 1984.

[4] Original commitment has been adjusted by $485 million as a result of the devaluation of the United States dollar in 1972 and 1973. The commitments for individual years, however, have not been adjusted.

NOTE.—This table does not include the Bangladesh resumption credits in the total amounts of lending, numbers of operations, and cancellations. Detail may not add to totals due to rounding.

Source: International Development Association.

TABLE E-3.—*Funds available for lending by IDA as of June 30, 1985*

[Millions of dollars]

Types of Loans	Amount
Part I countries (100 percent of subscriptions)	910
Part II countries (10 percent of subscriptions)	33
Part II countries (90 percent portion released)	90
Total, Initial subscriptions	1,033
1st replenishment	973
2nd replenishment	1,442
3rd replenishment	2,917
4th replenishment	4,266[1]
5th replenishment	7,394
6th replenishment	9,411
FY84 Account	1,237
7th replenishment	2,417
Total, Supplementary resources	30,057
Contribution from Swiss Confederation	51
World Bank transfers	1,989
Accumulated net income	30[2]
Participation in credits	84
Total, other	2,154
Grand total	33,244
Less net commitments	34,294
Funds available for lending as of June 30, 1984	(1,050)

[1] Excluding Swiss loan not received by IDA.

[2] Effective from July 1, 1979 until December 31, 1984 accumulated net losses have not been deducted from IDA funds available for lending.

Source: International Development Association.

TABLE E-4.—*Estimated Effect of IDA Operations on United States Balance of Payments through FY 1985*

[Millions of dollars]

	Inception through 1976	Fiscal year									Inception through 1985
		1977	1978	1979	1980	1981	1982	1983	1984	1985	
Current Account:											
Procurement of goods[1]	795	116	76	88	74	92	123	178	190	172	1,904
Administrative Expenses	254	69	87	115	132	153	184	206	241	265	1,706
Investment Income	-122	-9	-8	-10	-2	-7	-18	-12	-12	-14	214
Balance on Current Account (A)	927	176	155	193	204	238	289	372	419	423	3,396
Capital Account:											
Assets:											
Subscriptions and Contributions[2]	1,885	774	426	393	341	562	622	863	913	903	7,682
Total Assets	1,885	774	426	393	341	562	622	863	913	903	7,682
Liabilities:											
Investments with maturities over one year	10	7	11	4	-27	20	5	-15	60	5	80
Investments with maturities of one year or less	166	-74	19	-71	-21	-2	66	-81	19	3	24
Total Liabilities	176	-67	30	-67	-48	18	71	-96	79	8	104
Balance on Capital Account[3] (B)	-1,709	-841	-396	-460	-389	-544	-551	-959	-834	-895	-7,578
Net Change (A) + (B)	-782	-665	-241	-267	-185	-306	-262	-587	-415	-472	-4,182

[1] Includes procurement specifically identifiable as originating in the United States and the same proportion of procurement not identifiable by country of origin.

[2] Excludes notes not encashed.

[3] A positive sign indicates a net increase in liabilities or a net decrease in assets; a negative sign indicates a net decrease in liabilities or a net increase in assets in accordance with standard balance of payments presentation.

Source: International Development Assocation.

SECTION F.—International Finance Corporation

TABLE F-1.—*IFC Board approvals Oct. 1, 1984 to Sept. 30, 1985*

[Millions of dollars]

Country	Total	Loan	Equity	Purpose
Argentina	12.00	12.00	.00	Agro-Business
	2.05	.00	2.05	Financial Institutions
	80.00	80.00	.00	Fuel Minerals
	.31	.00	.31	Chemicals & Petrochemicals
	24.00	24.00	.00	Chemicals & Petrochemicals
	25.00	25.00	.00	Chemicals & Petrochemicals
	9.00	9.00	.00	Cement
Bangladesh	2.00	1.80	.20	Financial Institutions
	.50	.50	.00	Textiles
	1.47	1.47	.00	Fabric Metal Products
Brazil	2.40	.00	2.40	Paper & Wood Products
	30.17	20.86	9.31	Paper & Wood Products
	8.00	3.00	5.00	Chemicals & Petrochemicals
	14.00	14.00	.00	Chemicals & Petrochemicals
	20.00	20.00	.00	Cement
	3.00	.00	3.00	Iron & Steel
	1.05	.00	1.05	Iron & Steel
Chile	18.70	16.50	2.20	Fuel Minerals
	55.00	50.00	5.00	Chemicals & Petrochemicals
China	17.02	15.00	2.02	Fabric Metal Products
Colombia	.03	.00	.03	Financial Institutions
	6.00	6.00	.00	Financial Institutions
	6.00	6.00	.00	Financial Institutions
	6.00	6.00	.00	Financial Institutions
	5.00	.00	5.00	Fuel Minerals
Eastern Africa Regional	4.00	4.00	.00	Financial Institutions
Egypt	.19	.00	.19	Glass
	4.45	3.35	1.10	Glass
	7.47	6.90	.57	Iron & Steel
Fiji	6.80	6.80	.00	Services
Guyana	1.70	1.70	.00	Paper & Wood Products
India	.20	.00	.20	Financial Institutions
	13.45	13.45	.00	Cement
	15.62	15.62	.00	Fabric Metal Products
Indonesia	.36	.00	.36	Financial Institutions
	.83	.83	.00	Cement
Ivory Coast	2.55	2.28	.27	Agro-Business
Jamaica	3.54	3.00	.54	Agro-Business
	7.30	7.30	.00	Financial Institutions
Kenya	8.84	7.44	1.40	Agro-Business
	1.50	.00	1.50	Financial Institutions
	3.60	3.60	.00	Services
Korea, Republic of	.54	.00	.54	Financial Institutions
	5.00	.00	5.00	Financial Institutions
Korea, Republic of	1.70	.00	1.70	Fabric Metal Products
Madagascar	6.65	6.48	.17	Textiles
Malawi	.59	.09	.09	Financial Institutions
Mauritania	1.20	1.20	.00	Agro-Business
Morocco	4.58	4.58	.00	Agro-Business
	40.00	40.00	.00	Financial Institutions

TABLE F-1.—*IFC Board approvals Oct. 1, 1984 to Sept. 30, 1985*—Continued

[In millions of dollars and equivalents]

Country	Total	Loan	Equity	Purpose
Panama	37.50	37.50	.00	Financial Institutions
Paraguay	.80	.80	.00	Agro-Business
Peru	3.30	3.30	.00	Non-Fuel Minerals
	13.50	13.00	.50	Non-Fuel Minerals
Philippines	10.11	7.00	3.11	Agro-Business
	38.00	38.00	.00	Financial Institutions
Portugal	.23	.00	.23	Financial Institutions
Somalia	.62	.62	.0	Chemicals & Petrochemicals
Sri Lanka	3.96	3.96	.00	Financial Institutions
Swaziland	1.50	1.50	.00	Agro-Business
	1.63	1.50	.13	Financial Institutions
	2.43	1.40	1.03	Textiles
Thailand	.19	.00	.19	Non-Fuel Minerals
	.27	.00	.27	Chemicals & Petrochemicals
Trinidad & Tobago	265.00	265.00	.00	Chemicals & Petrochemicals
Tunisia	2.26	1.70	.56	Textiles
Turkey	.31	.00	.31	Financial Institutions
	6.20	6.20	.00	Fabric Metal Products
Uruguay	.50	.50	.00	Agro-Business
	8.40	6.00	2.40	Agro-Business
Yemen Arab Republic	9.00	9.00	.00	Chemicals & Petrochemicals
	.36	.00	.36	Fabric Metal Products
Yugoslavia	55.30	55.30	.00	Financial Institutions
	35.30	35.30	.00	Financial Institutions
	11.00	11.00	.00	Fabric Metal Products
Zaire	.10	.00	.10	Agro-Business
	6.78	6.25	.53	Textiles
	15.00	15.00	.00	Services
Total	1,022.76	961.49	61.28	

Source: International Finance Corporation.

TABLE F-2.—*IFC statement of changes in financial position for the fiscal year ended June 30, 1985*

[Thousands of dollars]

	1985	1984
Funds Provided:		
Net income	$ 28,335	$ 26,323
Items not requiring or providing cash:		
Provision for losses	29,396	30,954
Net changes in accrued income and expenses	2,073	(3,915)
Net other changes	(109)	(228)
Funds provided from operations	59,695	53,134
Capital subscription payments	1,546	492
Borrowings	332,422	89,634
Repayments of loan investments	125,316	120,101
Other	16,994	14,426
Total Funds Provided	535,973	277,787
Funds Used:		
Disbursements on loan and equity investments	266,448	238,234
Repayments on borrowings	77,533	33,755
Total Funds Used	343,981	271,989
Increase in Cash, Deposits, and Securities	$191,992	$ 5,798

Source: International Finance Corporation.

TABLE F-3.—*Summary of IFC Commitments as of June 30, 1985*

[Thousands of dollars]

Country, Region or Other Area	Number of Enterprises	Cumulative Gross Commitments[1]		
		IFC	Syndications	Total
Afghanistan	1	$322	....	$322
Argentina	15	170,381	65,633	236,014
Australia	2	975	....	975
Bangladesh	5	10,701	3,406	14,107
Barbados	1	300	....	300
Bolivia	5	8,246	1,041	9,287
Botswana	1	650	....	650
Brazil	46	525,395	505,052	1,030,447
Burkina Faso	1	542	....	542
Burundi	1	5,634	....	5,634
Cameroon	7	14,940	253	15,193
Chile	6	40,287	16,118	56,405
Colombia	29	105,418	38,588	144,006
Congo	3	4,939	....	4,939
Costa Rica	4	6,497	217	6,714
Cyprus	4	5,258	597	5,855
Dominican Republic	4	16,463	2,400	18,863
Ecuador	6	27,343	696	28,039
Egypt	9	116,674	73,500	190,174
El Salvador	2	1,074	....	1,074
Ethiopia	3	13,136	2,632	15,768
Fiji	1	6,000	....	6,000
Finland	4	1,490	1,658	3,148
Gambia, The	1	2,823	....	2,823
Ghana	1	27,500	27,500	55,000
Greece	7	26,906	40,207	67,113
Guatemala	3	18,200	....	18,200
Guinea	1	14,835	....	14,835
Guyana	1	2,000	....	2,000
Haiti	1	1,500	....	1,500
Honduras	3	4,352	6,101	10,453
India	27	207,655	62,781	270,436
Indonesia	13	90,494	72,803	163,297
Iran	7	34,343	8,193	42,536
Israel	1	10,500	....	10,500
Italy	1	960	....	960
Ivory Coast	4	11,007	....	11,007
Jamaica	4	9,461	926	10,387
Jordan	5	44,614	50,250	94,864
Kenya	12	61,777	6,718	68,495
Korea, Republic of	16	122,944	42,551	165,495
Lebanon	4	6,505	2,600	9,105
Lesotho	1	330	....	330
Liberia	1	702	1	703
Madagascar	3	15,219	....	15,219
Malawi	5	25,877	....	25,877
Malaysia	6	19,562	1,629	21,191
Mali	2	2,897	....	2,897
Mauritania	1	10,449	9,558	20,007
Mauritius	2	2,267	98	2,365
Mexico	27	253,950	499,942	753,892
Morocco	7	79,920	19,155	99,075
Nepal	2	8,094	....	8,094
Nicaragua	3	8,542	929	9,471
Niger	1	2,040	....	2,040
Nigeria	8	26,063	2,947	29,010
Oman	1	2,029	....	2,029
Pakistan	16	86,938	104,519	191,457

See footnotes at end of table.

TABLE F-3.—*Summary of IFC Commitments as of June 30, 1985*—Continued

[Thousands of dollars]

Country	Number of Enterprises	Cumulative Gross Commitments[1]		
		IFC	Syndication	Total
Panama	3	29,100	....	29,100
Paraguay	3	13,580	....	13,580
Peru	13	61,944	3,573	65,517
Philippines	25	137,117	22,458	159,575
Portugal	2	14,926	9,000	23,926
Rwanda	1	1,080	....	1,080
Senegal	6	33,108	....	33,108
Sierra Leone	1	2,050	....	2,050
Somalia	2	980	....	980
Spain	5	20,433	300	20,733
Sri Lanka	7	22,041	13,672	35,713
Sudan	6	26,535	6,464	32,999
Swaziland	2	10,870	....	10,870
Tanzania	4	8,663	2,436	11,099
Thailand	14	106,445	117,874	224,319
Trinidad and Tobago	2	2,350	....	2,350
Tunisia	8	20,417	2,079	22,496
Turkey	21	171,650	74,172	245,822
Uganda	6	14,676	2,176	16,852
Uruguay	5	31,950	....	31,950
Venezuela	8	24,540	7,581	32,121
Yemen Arab Republic	3	10,110	1,105	11,215
Yugoslavia	21	299,579	128,736	428,315
Zaire	6	27,648	....	27,648
Zambia	8	72,277	17,424	89,701
Zimbabwe	2	22,205	18,000	40,205
Regional:				
Africa	1	2,637	1,940	4,577
Latin America	1	10,000	....	10,000
Asia	1	1,050	....	1,050
Other[2]	2	9,174	670	9,844
Total	547	$3,535,055	2,100,859	$5,635,914

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[1] Cumulative commitments are composed of disbursed and undisbursed balances. The undisbursed portion is revalued at current exchange rates while the disbursed portion represents the cost of the commitment at the time of disbursement.

[2] Represents investments made at a time when the authorities on Taiwan represented China in the International Finance Corporation (Prior to May 15, 1980).

Source: International Finance Corporation.

SECTION G.—Inter-American Development Bank

TABLE G-1.—*IDB Fund for Special Operations, contribution quotas, Sept. 30, 1985*

[Thousands of dollars]

Country	Amount[1]
Argentina	$461,856
Austria	12,755
Bahamas	9,708
Barbados	1,569
Belgium	31,257
Bolivia	43,955
Brazil	497,065
Canada[2]	233,213
Chile	142,133
Colombia	139,595
Costa Rica	21,070
Denmark	13,568
Dominican Republic	29,395
Ecuador	27,434
El Salvador	19,327
Finland	12,852
France	153,841
Germany	159,212
Guatemala	28,406
Guyana	7,680
Haiti	20,101
Honduras	22,632
Israel	12,450
Italy	152,177
Jamaica	26,099
Japan	178,186
Mexico	302,290
Netherlands	23,533
Nicaragua	21,610
Panama	22,571
Paraguay	26,331
Peru	71,223
Portugal	5,636
Spain	133,396
Suriname	5,816
Sweden	27,547
Switzerland	34,818
Trinidad & Tobago	19,120
United Kingdom	155,754
United States	4,633,200
Uruguay	51,398
Venezuela	290,169
Yugoslavia	12,755
Unallocated	34,054
	$8,328,757

[1] Including maintenance of value adjustments. A portion of the contribution quotas are neither paid nor due.

[2] Canada is contributing collections under the loans made from a fund administered by IDB totaling Can $74,000,000. At September 30, 1985, US $17,580,000 had been contributed.

Source: Inter-American Development Bank.

TABLE G-2.—*IDB loan approvals—Ordinary Capital and Inter-Regional Resources, by country, purpose and terms October 1, 1984 to September 30, 1985*

Borrowing country and purpose	Amount (in millions)	Interest (percent)	Maturity (years)
Argentina			
Agriculture	60.0	ALR[1]	20.00
Agriculture	38.8	ALR[1]	20.00
Industry	160.0	ALR[2]	15.00
Energy	60.30	ALR[2]	20.00
Barbados			
Public Health	4.70	ALR[2]	25.00
Brazil			
Transportation	33.50	ALR[1]	20.00
Transportation	58.50	ALR[2]	20.00
Agriculture	44.0	ALR[1]	20.00
Industry	200.0	ALR[1]	15.00
Chile			
Energy	48.00	ALR[1]	20.00
Urban Development	125.00	ALR[1]	25.00
Water & Sewerage	17.00	ALR[2]	25.00
Transportation	35.70	ALR[1]	20.00
Industry	130.00	ALR[1]	15.00
Colombia			
Energy	52.00	ALR[2]	8.00
Education	33.50	ALR[2]	25.00
Urban Development	50.00	ALR[1]	20.00
Energy	28.00	ALR[1]	20.00
Industry	130.00	ALR[1]	15.00
Water & Sewerage	200.00	ALR[1]	20.00
Costa Rica			
Agriculture	35.00	ALR[1]	20.00
Water & Sewerage	23.30	ALR[4]	25.00
Dominican Republic			
Tourism	37.00	ALR[1]	15.00
Energy	150.00	ALR[1]	20.00
Ecuador			
Industry	80.00	ALR[1]	15.00
Agriculture	175.00	ALR[1]	20.00
Guatemala			
Energy	57.00	ALR[1]	20.00
Industry	70.00	ALR[1]	15.00
Transportation	64.00	ALR[1]	20.00
Guyana			
Industry	28.00	ALR[1]	15.00
Energy	16.10	ALR[1]	20.00
Honduras			
Agriculture	6.90	ALR[4]	20.00
Jamaica			
Preinvestment	5.50	ALR[4]	15.00
Mexico			
Water & Sewerage	36.40	ALR[1]	25.00
Agriculture	165.00	ALR[1]	20.00

See footnotes at end of table.

TABLE G-2.—*IDB loan approvals—Ordinary Capital and Inter-Regional Resources, by country, purpose and terms October 1, 1984 to September 30, 1985*—Continued

Borrowing country and purpose	Amount (in millions)	Interest (percent)	Maturity (years)
Peru			
Energy	20.00	ALR[1]	20.00
Industry	160.00	ALR[1]	15.00
Panama			
Urban Development	14.20	ALR[4]	20.00
Agriculture	19.00	ALR[1]	20.00
Paraguay			
Agriculture	37.50	ALR[4]	20.00
Regional			
Preinvestment	4.30	ALR[1]	20.00
Preinvestment	20.00	ALR[1]	20.00
Venezuela			
Agriculture	64.0	ALR[1]	20.00
Industry	100.0	ALR[1]	15.00
Energy	350.0	ALR[1]	20.00
Total	3,247.2	......	....

[1] Adjustable lending rate. Pursuant to new lending rate policy adopted in early 1983, the Bank shall determine the interest rate that will apply from January 1st. of each year to disbursements effected during each year, which is to be received semiannually thereafter through final loan disbursement.

[2] The rate shall be 1¾% for US$24,000,000 and 1⅜% for US$17,000,000.

[3] ALR for the convertible currencies and 4% for the local currency part of the loan.

[4] The borrower shall pay interest semiannually on the outstanding balances of the loan. The first payment shall be made six months after the date of the loan contract. During the disbursement period the Bank: a) shall determine the rate of interest to be applied as of the first day of each January and for the life of the loan to any amount disbursed during the ensuing year; and b) may modify the interest rate, in accordance with the policy of the bank, to be applied to disbursements of the loan made during the second of half the year.

Source: Inter-American Development Bank.

TABLE G-3.—*IDB loan approvals—Fund for Special Operations, by country, purpose and terms, October 1, 1984 to September 30, 1985*

Borrowing country and purpose	Amount (in millions)	Interest (percent)	Maturity (years)
Barbados			
Public Health	7.00	2	25.00
Brazil			
Transport	18.50	4	20.00
Agriculture	26.00	3	20.00
Central America			
Preinvestment	15.00	1	40.00
Colombia			
Education	4.00	4	25.00
Costa Rica			
Water & Sewerage	5.00	2	25.00
Urban Development	17.30	2	35.00
Agriculture	6.00	2	30.00
Equador			
Water & Sewerage	24.00	1-2	40.00
El Salvador			
Water & Sewerage	21.00	1-2	40.00
Haiti			
Urban Development	11.90	1-2	40.00
Honduras			
Water & Sewerage	24.00	1	40.00
Jamaica			
Transportation	14.60	2	35.00
Mexico			
Water & Sewerage	10.00	3	25.00
Panama			
Urban Development	6.00	2	35.00
Agriculture	9.50	2	30.00
Regional			
Preinvestment	5.30	1-2	40.00
Preinvestment	5.00	1	20.00
Total	230.10	....	......

Source: Inter-American Development Bank.

TABLE G-4.—*IDB loan commitments, disbursements, and undisbursed amounts for ordinary capital, inter-regional capital and the Fund for Special Operations through December 31, 1984*

[Millions of dollars]

Year	Loan commitments		Loan disbursements	Undisbursed loan balances at end of year[3]
	Number	Amount		
1961-70	501	$3,584.7	$1,644.4	$1,823.1
1971	55	635.5	429.0	2,073.6
1972	49	787.5	464.5	2,297.8
1973	56	879.7	535.7	2,593.8
1974	53	1,110.7	614.8	3,041.5
1975	62	1,280.4	698.8	3,523.9
1976	68	1,433.9	714.1	4,237.7
1977	74	1,683.3	783.2	4,905.8
1978	60	1,789.2	992.9	5,633.3
1979	71	1,868.8	1,060.0	6,279.2
1980	80	2,248.1	1,281.5	7,051.7
1981	76	2,436.1[1]	1,400.9	8,007.3
1982	77	2,678.5[1]	1,566.0	8,995.2
1983	72	3,000.6	1,662.7	10,026.3
1984	70	3,521.2	2,327.1	10,918.6
Total	1,424	28,938.2[2]	16,175.6[2]	....
Adjustment	(57)	(2,443.1)	(599.1)	....
Adjusted Total[3]	1,367	$26,495.1	$15,576.5	....

[1] Includes loans approved conditionally by resolutions which did not enter into effect until the following year, when the Board of Executive Directors determined that sufficient covering resources were available. In 1981, these loans totalled $639.0 million in the Inter-Regional Capital, $8.8 million in the Ordinary Capital and $99.0 million in the Fund for Special Operations; in 1982 they totalled $32.0 million in the Fund for Special Operations and in 1984 they totalled $150.0 million in the Inter-Regional Capital.

[2] Excludes exchange adjustments. Loan commitments are as originally authorized and are before reduction for loan cancellations.

[3] Includes exchange adjustments. Loan commitments and undisbursed balances include conditional loan appovals and are after loan cancellations.

Source: Inter-American Development Bank.

TABLE G-5.—*Estimated Effects of IDB Ordinary Capital Transactions on the U.S. Balance of Payments 1960–1984*

[Millions of dollars]

	Calendar Years							From inception to 12-31-84
	1960/1969	1970/1979	1980	1981	1982	1983	1984	
1. U.S. subscriptions[1]	150.0	211.0	21.2	10.4	6.1	7.2	5.0	410.9
2. Net sales of bonds and loan participations in the United States	373.4	502.6	(16.4)	(21.0)	(24.3)	222.3	(92.6)	944.0
3. Investment income earned by IDB in the United States	117.6	488.6	83.4	81.8	73.0	47.9	66.5	958.8
4. U.S. Payments to IDB	641.0	1,202.2	88.2	71.2	55.9	276.3	(21.1)	2,313.7
5. IDB-financed goods bought in the United States[2]	167.9	573.1	128.1	169.6	117.7	107.9	102.0	1,366.3
6. Interest paid by IDB to U.S. bondholders and purchasers of participations	76.0	432.4	75.7	80.1	60.5	77.3	106.0	908.0
7. IDB administrative expenses in the United States[3]	61.4	162.7	23.2	28.1	30.0	29.4	31.5	366.3
8. U.S. Receipts from IDB (items 5 through 7)	305.3	1,168.2	227.0	277.8	206.2	214.6	239.5	2,640.6
9. Net U.S. payments to (receipts from) IDB	335.7	34.0	(138.8)	(206.6)	(152.3)	61.7	(260.6)	(326.9)
10. Long-term investments[4] [6]	299.2	351.7	(215.1)	66.5	(168.8)	(93.0)	271.6	512.1
11. Net U.S. payments to (receipts from) IDB after long-term investments in the United States	36.5	(317.7)	76.3	(273.1)	16.5	154.7	(532.2)	(839.0)
12. Short-term investments[5] [6]	64.6	72.1	123.8	(193.2)	23.6	341.6	(109.1)	323.4
13. Net U.S. payments to (receipts from) IDB after investments in the United States	(28.1)	(389.8)	(47.5)	(79.9)	(7.1)	(186.9)	(423.1)	(1,162.4)

[1] Total U.S. subscriptions net of amounts held by IDB in non-negotiable, non-interest bearing notes received from the U.S. on account of its own subscription.

[2] Partly estimated.

[3] Includes payment for real estate and mortgage amortization.

[4] Net changes in IDB holdings of U.S. dollars invested in the United States with maturities of more than 12 months.

[5] Net changes in IDB holdings of U.S. dollars invested in the United States, excluding those with maturities of more than 12 months.

[6] Includes Special Reserve investments.

Source: Inter-American Development Bank.

TABLE G-6.—*Estimated effects of IDB fund for Special Operations transactions on the U.S. balance of payments, 1984 and inception to Dec. 31, 1984*

[Millions of dollars]

	1984	Inception to 12/31/84
1. U.S. subscription		
Total subscription		4,633.2
Less: Amount not yet received in cash		1,144.2
	318.2	3,489.0
2. Investment income earned by IDB in the United States	10.2	128.5
3. U.S. Payments to IDB[1]	328.4	3,617.5
4. IDB-financed goods bought in the United States via direct purchases	53.1	1,132.0
5. IDB-financed goods bought in the United States via Special Letters of Credit	0.6	863.9
6. Interest paid by IDB to U.S. purchasers of participations		0.2
7. IDB administrative and technical cooperation expenses in the United States	68.7	652.0
8. U.S. receipts from IDB	122.4	2,648.1
9. Net U.S. payments to IDB	206.0	969.4
10. Long-term investments in the United States	(20.0)	[2]7.0
11. U.S. payments to IDB, net of long-term investments in the United States	226.0	962.4
12. Short-term investments in the United States	18.6	[3]88.5
13. Net U.S. payments to IDB after investments in the United States	207.4	873.9

[1] Excludes U.S. dollar participations in loans of the Fund for Special Operations sold to the Social Progress Trust Fund.

[2] Balance of IDB holdings of U.S. dollars invested in the United States with original maturities of more than 12 months.

[3] Balance of IDB holdings of U.S. dollars invested in the United States, excluding those with original maturities of more than 12 months.

Source: Inter-American Development Bank.

TABLE G–7.—*IDB borrowings and outstanding issues as of Sept. 30, 1985*

[Millions of dollars][1]

Currency of issue	Number of issues	Original amount	Outstanding amount	Outstanding issues
Ordinary Capital				
Total	[2]118	4,747.1	3,026.2	69
U.S. Dollars	32	[3]2,031.0	1,276.5	18
Austrian Schillings	5	53.2	18.6	2
Belgian Francs	2	12.9	1.4	1
Pounds Sterling	7	361.4	349.8	3
Euro-Currency Unit	1	82.6	82.6	1
French Francs	2	24.6	12.1	2
Deutsche Mark	21	685.4	354.0	12
Italian Lire	3	24.9	3.7	2
Japanese Yen	17	659.9	439.6	11
Netherlands Guilders	5	187.4	169.7	5
Spanish Pesetas	1	4.9	....	......
Swedish Kronor	3	13.0	....	......
Swiss Francs	16	578.0	307.9	9
Trinidad & Tobago Dollars	2	14.6	8.3	2
Venezuelan Bolivares	1	13.3	2.0	1
Inter-Regional Capital				
Total	[4]78	4,952.6	4,924.2	78
U.S. Dollars	13	[5]1,246.2	1,246.2	13
Austrian Schillings	2	34.6	32.4	2
Pounds Sterling	2	119.0	115.9	2
Deutsche Mark	18	955.1	955.1	18
Japanese Yen	14	1,290.3	1,284.4	14
Netherlands Guilders	9	321.2	321.2	9
Swiss Francs	20	986.2	969.0	20

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[1] Exchange rates in effect as of September 30, 1985.

[2] Does not include nineteen issues of short-term bonds of the Ordinary Capital that have been redeemed.

[3] Includes outstanding balance of short-term borrowings.

[4] Does not include seven issues of short-term bonds of the Inter-Regional Capital that have been redeemed.

[5] Includes outstanding balance of short-term borrowings.

Source: Inter-American Development Bank.

TABLE G-8.—*IDB gross borrowings, October 1, 1984 through September 30, 1985*

[Millions of dollars][1]

Date	Type of issue	Total	New funds	Old funds
	Ordinary Capital			
10/1/84 through 9/30/85				
1984:				
November 1	8.625% Netherlands Guilder Loan of 1984-99	49.7	49.7	....
November 7	12.750% U.S. Dollar Notes of 1984-91	150.0	150.0	....
December 19	9.750% British Pound Bonds of 1984-15	140.1	140.1	....
1985:				
April 3	10.000% Euro Currency Unit Bonds of 1985-93	82.6	82.6	....
May 2	11.375% U.S. Dollar Notes of 1985-95	200.0	200.0	....
May 29	11.375% British Pound Bonds of 1985-95	105.0	105.0	....
July 26	11.375% British Pound Bonds of 1985-95	21.0	21.0	....
September 11	10.500% U.S. Dollar Notes of 1985-95	150.0	150.0	....
	Total	898.4	898.4	....
	Inter-regional Capital			
10/1/84 through 9/30/85				
1984:				
October 18	6.750% Swiss Franc Loan of 1984-90	22.9	22.9	....
October 18	6.875% Swiss Franc Loan of 1984-91	22.9	22.9	....
October 31	7.200% Japanese Yen Bonds of 1984-96	138.3	138.3	....
October 31	7.625% Deutsche Mark Bonds of 1984-92	56.2	56.2	....
November 9	6.125% Swiss Franc Bonds of 1984-94	55.0	55.0	....
December 5	7.700% Japanese Yen Loans of 1984-96	115.2	115.2	....
December 13	11.625% U.S. Dollar Notes of 1984-94	200.0	200.0	....
December 19	7.500% Deutsche Mark Bonds of 1984-94	74.9	74.9	....
1985:				
February 6	7.750% Netherlands Guilder Bonds of 1985-95	66.2	66.2	....
February 14	5.750% Swiss Franc Bonds of 1985-95	68.8	68.8	....
February 15	7.000% Japanese Yen Bonds of 1985-00	161.3	161.3	....
March 20	8.000% Deutsche Mark Bonds of 1985-93	93.6	93.6	....
April 15	6.125% Swiss Franc Notes of 1985-91	27.5	27.5	....
April 15	6.250% Swiss Franc Notes of 1985-92	41.3	41.3	....
April 15	10.380% Short-term Dollar Bonds 8th Issue[2]	12.0	....	12.0
April 15	11.070% Short-term Dollar Bonds 8th Issue[3]	9.0	7.0	2.0
April 15	10.380% Short-term Dollar Bonds 8th Issue[3]	28.0	28.0	....
April 15	11.070% Short-term Dollar Bonds 8th Issue[3]	1.0	1.0	....
May 15	8.250% Netherlands Guilder Loan 1985-95	33.1	33.1	....
May 15	7.870% Deutsche Mark Loan of 1985-95	37.5	37.5	....
May 30	7.100% Japanese Yen Bonds of 1985-00	138.3	138.3	....
July 3	7.250% Deutsche Mark Bonds of 1985-95	93.6	93.6	....
July 19	6.125% Swiss Franc Bonds of 1985-05	45.9	45.9	....
July 19	5.875% Swiss Franc Bonds of 1985-95	45.9	45.9	....
	Total	1,588.4	1,574.4	14.0

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[1] Exchange rates in effect at time of borrowing.

[2] This bond issue was placed with central banks and governmental agencies of non-regional member countries.

[3] This bond issue was placed with central banks and governmental agencies of Latin American member countries.

Source: Inter-American Development Bank.

TABLE G-9.—*Estimated effects of IDB Inter-Regional Capital Transactions on the U.S. balance of payments from inception to Dec. 31, 1984*

[Millions of dollars]

	1977*	1978	1979	1980	1981	1982	1983	1984	From inception to 12/31/84
1. U.S. subscriptions[1]	10.0	20.0	30.0	30.0	20.9	15.4	14.1	29.8	170.2
2. Net sale of bonds and loan participations in the United States	......	11.8	102.2	85.1	130.7	282.3	3.4	365.8	981.3
3. Investment income earned by IDB in the United States	0.4	2.1	7.7	16.7	27.4	48.1	39.4	45.2	187.0
4. U.S. payments to Inter-American Development Bank	10.4	33.9	139.9	131.8	179.0	345.8	56.9	440.8	1,338.5
5. IDB financed goods bought in the United States	......	22.8	60.1	73.1	69.5	128.1	181.1	225.0	759.7
6. Interest paid by IDB to U.S. bond holders and purchasers of participations	......	0.3	5.7	10.6	19.8	47.0	79.6	89.3	252.3
7. Inter-American Development Bank administrative expenses in the United States	0.9	3.3	6.5	10.9	17.9	20.7	27.8	28.2	116.2
8. U.S. receipts from Inter-American Development Bank	0.9	26.4	72.3	94.6	107.2	195.8	288.5	342.5	1,128.2
9. Net U.S. payments to (receipts from) Inter-American Development Bank	9.5	7.5	67.6	37.2	71.8	150.0	(231.6)	98.3	210.3
10. Long-term investments in the United States[2] [4]	0.1	27.0	9.9	13.5	39.0	66.6	14.2	254.4	424.7
11. Net U.S. payments to (receipts from) Inter-American Development Bank after long-term investments in the U.S.	9.4	(19.5)	57.7	23.7	32.8	83.4	(245.8)	(156.1)	(214.4)
12. Short-term investments in the United States[3] [4]	8.6	(8.3)	41.3	83.2	(27.8)	114.9	11.7	(123.3)	100.3
13. Net U.S. payments to (receipts from) Inter-American Development Bank after investments in the U.S.	0.8	(11.2)	16.4	(59.5)	60.6	(31.5)	(257.5)	(32.8)	(314.7)

[1] Total U.S. subscription net of amounts held by IDB in non-negotiable, non-interest bearing notes received from U.S. on account of its own subscriptions.

[2] Balance of IDB holdings of U.S. dollars invested in the United States with original maturities of more than 12 months.

[3] Balance of IDB holdings of U.S. dollars invested in the United States, excluding those with original maturities of more than 12 months.

[4] Includes Special Reserve investments.

*The fund was created in 1976, although there were no transactions in that year.

Source: Inter-American Development Bank.

SECTION H.—Asian Development Bank

TABLE H-1.—*Status of contributions to Technical Assistance Special Fund as of Sept. 30, 1985*

[Thousands of dollars][1]

Contributors	Amounts committed	Amounts made available	Amounts drawn	Resources available for drawing
Australia	2,484	2,484	2,484	....
Austria	116	116	116	....
Bangladesh	47	47	47	....
Belgium	1,103	1,103	1,103	....
Canada	3,346	3,346	3,346	....
China, Republic of	200	200	200	....
Denmark	1,950	1,950	1,950	....
Finland	237	237	237	....
France	1,546	1,546	1,546	....
Germany, Federal Republic of	2,962	2,962	2,962	....
Hong Kong	100	100	100	....
India	1,523	1,523	1,320	203
Indonesia	250	250	250	....
Italy	774	774	774	....
Japan	39,884	39,884	39,884	....
Korea, Republic of	1,300	1,300	1,300	....
Malaysia	931	931	769	162
Netherlands	1,242	1,242	1,132	110
New Zealand	1,017	1,017	1,017	....
Norway	1,629	1,629	1,629	....
Pakistan	503	503	503	....
Singapore	100	100	100	....
Sri Lanka	6	6	6	....
Sweden	754	754	382	372
Switzerland	1,035	1,035	1,035	....
United Kingdom	5,125	5,125	4,733	392
United States	1,500	1,500	1,500	....
	71,664	71,664	70,425	1,239
Transfer to the Asian Development Fund	(400)	(400)	(400)	....
Total	71,264	71,264	70,025	1,239

[1] The amount of contribution is valued as the sum of the amount utilized, translated at the exchange rates used by the Bank on the respective dates of utilization, and the amount unutilized, translated at the exchange rates used by the Bank on September 30, 1985.

Source: Asian Development Bank.

TABLE H-2.—*Status of Contributions to ADB Asian Development Fund as of September 30, 1985*

[Thousands of dollars][1]

Contributors	Amounts committed during 1985	Cumulative amounts committed[2]	Amounts not yet available for loan commitments	Amounts available for loan commitments	Amounts received	Amounts receivable
Australia	....	259,541	37,567	221,974	221,974	....
Austria	....	46,697	6,585	40,112	33,527	6,585
Belgium	....	42,295	5,528	36,767	31,239	5,528
Canada	....	475,108	62,406	412,702	350,296	62,406
China, Republic of	....	2,000	500	1,500	1,000	500
Denmark	....	40,276	5,804	34,472	28,668	5,804
Finland	....	33,040	5,049	27,991	21,839	6,152
France	....	186,816	31,782	155,034	123,252	31,782
Germany	....	409,737	49,157	360,580	297,659	62,921
Hong Kong	....	1,000	250	750	500	250
Indonesia	....	3,000	750	2,250	1,500	750
Italy	....	148,306	23,661	124,645	100,984	23,661
Japan	....	2,934,808	326,556	2,608,252	2,608,252	....
Korea, Republic of	....	3,500	875	2,625	1,750	875
Netherlands	....	128,302	16,661	111,641	94,980	16,661
New Zealand	....	11,489	1,088	10,401	9,856	545
Norway	....	35,168	4,664	30,504	25,840	4,664
Sweden	....	51,625	7,819	43,806	35,987	7,819
Switzerland	....	77,312	9,124	68,188	68,118	....
United Kingdom	....	234,743	25,198	209,545	209,545	....
United States	....	1,295,000	260,000	1,035,000	1,035,000	
Total	....	6,419,763	881,024	5,538,739	5,301,836	236,903
Set-Aside Resources	....	50,438	....	50,438	50,438	....
Other Resources	....	5,080	....	5,080	5,080	....
Grand Total	....	6,475,281	881,024	5,594,257	5,357,354	236,903

[1] Amounts are expressed in U.S. dollar conversion rate adopted by the Bank as of September 30, 1985.

[2] Including amounts transferred from the Multi-Purpose Special Fund.

Source: Asian Development Bank.

TABLE H-3.—*Asian Development Bank, Ordinary Capital Resources, loans approved Oct. 1, 1984 to Sept. 30, 1985*

[Millions of dollars]

Country	Project	Amount	Terms[1] (years)	Interest (percent)
Total	.....	1,311.00	.....	....
Fiji	Agricultural Development	3.20	30(5)	10.25
	Second Fiji Development Bank	7.00	15(3)	9.65
Indonesia:	Second Kalimantan Livestock Development	60.00	25(6)	10.25
	Third Senior Technical Schools	83.00	20(6)	10.25
	Multisector Program	25.00	15(2)	10.25
	Land Resource Evaluation and Planning	23.40	20(5)	10.25
	IKK Water Supply Sector	40.20	25(5)	10.25
	University of Sriwijaya	37.90	20(6)	10.25
	Eighth Road	120.00	25(5)	9.65
Korea, Republic of	Eighth Water Supply	67.00	25(4)	10.25
	Ninth Water Supply	27.00	25(3)	10.25
Malaysia	Compensatory Forestry Sector	24.50	20(4)	10.25
	Trengganu Smallholders Development	25.40	20(4)	10.25
	Sungal Piah Hydropower	64.20	20(4)	10.25
	Kedah Regional Development (Sector)	45.00	20(4)	10.25
Pakistan	Tarbela Hydropower Extension (Units 11 & 12)	137.20	25(5)	10.25
Papua New Guinea	Ports Development	11.00	24(4)	9.65
Philippines	PNOC Energy Loan	85.00	15(3)	10.25
	Allah River Irrigation (Supplementary)	27.90	24(3)	10.25
	Second Power System Development	33.00	20(3)	10.25
Thailand	Mae Mah (Unit 8) Power	122.60	20(5)	10.25
	Rural Telecommunications	72.60	24(4)	10.25
	Third Bangkok Water Supply	130.90	24(4)	10.25
	Shelter Sector	38.00	25(5)	10.25

[1] Inclusive of grace period (enclosed in parenthesis).

Source: Asian Development Bank.

TABLE H-4.—*Asian Development Fund loans approved Oct. 1, 1984 through Sept. 30, 1985*

[Millions of dollars]

Borrower	Project	Amount	Terms[1] (years)	Service charge (percent)
Total		588.11	.....	....
Bangladesh	Secondary Science Education Sector	38.54	40(10)	1
	Second Natural Gas Development	109.08	40(10)	
	Second Livestock Development	41.47	40(10)	1
Bhutan	Second Multi-Project Loan	7.87	40(10)	1
	Chirang Hill Irrigation	3.55	40(10)	1
Kiribati	Betio Shipyard Rehabilitation	0.58	40(10)	1
Lao People's Democratic Republic	Xeset Hydropower	1.02	10(2)	1
	Second Forestry Development	8.51	40(10)	1
Nepal	Sixth Power	29.80	40(10)	1
	Rural Water Supply Sector	10.21	40(10)	1
	Hill Agriculture Development	18.93	40(10)	1
Pakistan	Left Bank Outfall Drain (Stage I)	129.22	40(10)	1
	Tarbela Hydropower Extension (Units 11 and 12)	33.68	40(10)	1
	Second Health and Population	17.01	40(10)	1
	Chashma Command Area Development	42.01	40(10)	1
	Gujranwala Agricultural Development	29.41	40(10)	1
Solomon Islands	Guadalcanal Road Improvement	2.11	40(10)	1
Sri Lanka	Plantation Sector	47.85	40(10)	1
	Secondary Towns Power Distribution	13.02	40(10)	1
Western Samoa	Fifth Development Bank of Western Samoa	4.24	40(10)	1

[1] Inclusive of grace period (shown in parenthesis).

Source: Asian Development Bank.

TABLE H-5.—*ADB Ordinary Capital Resources, loan commitments, disbursements and undisbursed balances from inception through fiscal year 1985*

[Millions of dollars]

U.S. fiscal year	Number of loans[1]	Loans		Undisbursed (cumulative)
		Commitments[2]	Disbursements[3]	
Total	398	10,539	5,300	....
1985	21	1,372	672	5,239
1984	24	1,417	755	4,539
1983	29	981	618	3,877
1982	34	1,196	565	3,514
1981	26	864	526	2,883
1980	29	948	405	2,545
1979	28	568	345	2,002
1978	24	575	279	1,779
1977	17	493	260	1,483
TQ (July 1, 1976 to September 30, 1976)	5	56	70	1,250
1976	30	607	266	1,264
1975	19	335	238	923
1974	32	379	135	826
1973	20	226	74	582
1972	14	181	54	430
1971	23	203	23	303
1970	12	72	11	123
1969	10	61	4	62
1968 (from inception to June 30, 1968)	1	5	....	5

[1] Excludes loans approved and unsigned.

[2] Net of cancellations but includes loans signed but not yet effective and loans sold or agreed to be sold.

[3] Excludes adjustment in U.S. Dollar equivalents of loans disbursed but includes repayment of loans sold.

Source: Asian Development Bank.

TABLE H-6.—*Asian Development Fund, loan commitments, disbursements and undisbursed balances from inception through fiscal year 1985*[1]

[Thousands of dollars]

U.S. fiscal year	Number of loans[2]	Loans		Undisbursed (cumulative)
		Commitments[3]	Disbursements[4]	
Total	325	4,820,207	1,863,034	....
1985	22	552,779	391,086	2,957,173
1984	28	739,606	275,918	2,795,480
1983	35	450,979	189,733	2,331,792
1982	13	527,586	163,896	2,070,546
1981	33	572,590	153,323	1,706,856
1980	24	304,895	127,548	1,287,589
1979	26	397,372	151,475	1,110,242
1978	23	321,007	137,068	864,345
1977	17	216,608	82,570	680,406
1976 TQ	2	56,611	17,750	546,368
1976	13	157,234	67,252	507,507
1975	19	194,483	54,210	417,525
1974	18	84,759	25,350	277,252
1973	21	121,550	15,898	217,843
1972	11	51,270	5,864	112,191
1971	11	36,230	3,953	66,785
1970	9	34,648	140	34,508
1969 (from inception to June 30, 1969)	0	....	....	....

[1] Including the Multi-Purpose Special Fund.

[2] Excludes loans approved and unsigned.

[3] Net of cancellations but includes loans signed but not yet effective.

[4] Excludes adjustment in U.S. dollar equivalents of loans disbursed but includes repayment of loans.

Source: Asian Development Bank.

TABLE H-7.—*ADB Ordinary Capital Resources, estimated effect of operations on the U.S. balance of payments from inception of ADB through calendar year 1985*

[Millions of dollars]

	Calendar years																	
	1966-67	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
Received by ADB from the United States:																		
Capital Subscription	20	10	10	10	.....	[1]24	[2]6	.....	[1]30	[1]68	[1]14	7	8	6	10	2	[1]15	[1]15
Net ADB bond sales in the United States	.....	.....	.....	.....	49	.....	.....	.....	74	173	.....	.....	.....	.....	.....	398	89	929
Net ADB loan sales in the United States	.....	1	.....	1	1	(*)	−1	3	1	−2	−1	(*)	1	.....	.....	.....	.....	.....
Investment income in the United States	1	2	4	9	12	11	13	15	16	16	19	21	29	33	30	69	94	105
Total	21	13	14	20	62	35	18	18	121	255	32	28	38	39	40	469	198	1,049
Paid by ADB to the United States:																		
Procurement of goods	.....	.....	.....	1	3	8	10	19	31	35	13	17	29	32	37	59	75	66
Interest to U.S. bondholders	.....	.....	.....	.....	2	5	4	4	7	13	23	23	23	19	17	34	48	37
Interest to U.S. loanholders	.....	.....	.....	.....	.....	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	.....	.....
Administrative expenses[3]	1	1	(*)	(*)	(*)	(*)	8	9	12	15	16	19	23	29	38	46	56	60
Staff retirement investment in the United States	.....	.....	1	2	2	3	4	5	6	8	11	1	2	5	2	8	10	3
Total	1	1	1	3	7	16	26	37	56	71	63	60	77	85	94	147	189	166
Net receipts to the United States[4]	−20	−12	−13	−17	−55	−19	8	19	−65	−184	31	32	39	46	54	−322	−9	−883
Long term investments in the United States	21	23	8	−14	23	21	100	67	79	107	152	69	30	−43	26	218	45	419
Net effect on liquidity	1	11	−5	−31	−32	2	108	86	14	−77	183	101	69	3	80	−104	36	−464

*Less than $500,000.

[1] Includes encashment of demand obligations.

[2] Amount paid in respect of maintenance of value due to the devaluation of the U.S. dollar.

[3] Amounts paid in U.S. dollars but not necessarily spent in the United States.

[4] Minus sign indicates negative impact on the U.S. balance of payments measured on a liquidity basis.

Source: Asian Development Bank.

Table H-8.—*ADB Borrowings and Outstanding Issues as of 30 Sept. 1985*

[Millions of dollars]

Currency issue	Number of issues	Original amount	Outstanding amount	Outstanding issues
Total	120	7,787.0	5,997.0	82
U.S. dollars	23	2,663.5[1]	1,798.8	8
Austrian schillings	3	41.6	26.6	1
Belgian francs	1	7.4	....	.....
Deutsche mark	24	1,164.8	1,020.6	19
Italian lire	1	5.5	1.7	1
Japanese yen	27	2,251.1[2]	1,933.6	22
Kuwaiti dinars	2	67.4	46.3	1
Luxembourg francs	1	7.4	1.5	1
Netherlands guilders	11	422.7	106.5	6
Pounds sterling	1	140.1	138.0	1
Saudi Arabian riyals	1	13.7	....	.....
Swiss francs	25	1,001.8	923.4	22

[1] Includes two zero coupon notes; 10-year notes issued on July 15, 1982, which was sold for an aggregate proceeds of $100 million and 20-year notes issued on August 31, 1984, which was sold for an aggregate proceeds of $105 million.

[2] Net of cancellation.

Note.—Amounts are expressed in the U.S. dollar conversion rate adopted by the Bank as of September 30, 1985.

Source: Asian Development Bank.

Table H-9.—*ADB Gross Borrowings During the Period Oct. 1, 1984 through Sept. 30, 1985*

[Millions of dollars]

Date	Type of issue	Total	New funds	Old funds
Total		845.2	845.2	....
Oct. 4, 1984	6.125% Swiss franc, 12-year bonds of 1984	45.9	45.9	....
Nov. 19, 1984	7.00% Japanese yen, 15-year bonds of 1984	115.2	115.2	....
Feb. 20, 1985	5.875% Swiss franc, 15-year bonds of 1985	45.9	45.9	....
Feb. 20, 1985	Floating rate Swiss franc, 15-year bonds of 1985	22.9	22.9	....
Mar. 29, 1985	7.30% Japanese yen, 15-year bonds of 1985	115.2	115.2	....
Apr. 15, 1985	7.75% Deutsche mark, 12-year bonds of 1985	74.9	74.9	....
June 1, 1985	10.75% U.S. dollar, 12-year bonds of 1985	100.0	100.0	....
June 13, 1985	6.25% Swiss franc, 20-year bonds of 1985	45.9	45.9	....
June 13, 1985	Floating rate Swiss franc, 20-year bonds of 1985	22.9	22.9	....
July 1, 1985	7.75% Dutch guilder, 15-year loan of 1985	66.3	66.3	....
Aug. 8, 1985	6.4% Japanese yen, 15-year bonds of 1985	115.2	115.2	....
Sept. 26, 1985	6.5% Deutsche mark, 10-year bonds of 1985	74.9	74.9	....

Note.—Amounts are expressed in the U.S. dollar conversion rate adopted by the Bank as of September 30, 1985.

Source: Asian Development Bank.

TABLE H-10.—*ADB, Special Funds estimated effect of operations on the U.S. balance of payments from inception of ADB through calendar year 1984*[1]

[Thousands of dollars]

	Calendar years																
	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
Received by ADB from the United States:																	
Special funds contributions	126	112	585	427	....	.....	.....	....	[2]6,467	[2]16,752	[2]28,000	[2]21,590	[2]46,761	[2]38,811	[2]56,831	[2]41,211	[2]65,002
Investment income in the United States	....	....	....	136	289	968	1,574	1,281	1,225	1,380	2,587	3,400	4,598	6,407	6,107	6,002	5,703
Total	126	112	585	563	289	968	1,574	1,281	7,692	18,132	30,587	24,990	51,359	45,218	62,938	47,213	70,705
Paid by ADB to the United States:																	
Procurement of goods	....	....	200	303	212	161	292	2,815	1,968	1,961	10,852	5,469	18,887	10,069	4,468	15,481	67,528
Administrative expenses[3]	126	112	1,012	.....	....	.....	.....	....	.....	......	......	......	......	......	......	......	......
Total	126	112	1,212	303	212	161	292	2,815	1,968	1,961	10,852	5,469	18,887	10,069	4,468	15,481	67,528
Net receipts to the United States	....	....	627	-260	-77	-807	-1,282	1,534	-5,724	-16,171	-19,735	-19,521	-32,472	-35,149	-58,470	-31,732	-3,177
Long-term investments in the United States	....	....	....	.....	....	4,000	4,500	1,500	3,500	......	16,060	1,170	-1,000	5,050	-18,550	6,970	-5,200
Net effect on liquidity basis	....	....	627	-260	-77	3,193	3,218	3,034	-2,224	-16,171	-3,675	-18,351	-33,472	-30,099	-77,020	24,762	-8,377

[1] Includes the Asian Development Fund established in 1974.

[2] Represents encashment of demand obligations.

[3] Administrative expenses are disbursed from ordinary capital resources. In 1971 an administration charge for special operations was instituted. Such administration charge has been included and shown in the administrative expenses paid under ordinary capital resources.

Source: Asian Development Bank.

SECTION I.—African Development Bank

TABLE I-1.—*African Development Bank, status of subscriptions and voting power as of Sept. 30, 1985*

[Millions of dollars]

Participant	Subcription	Installments Paid	Voting Power (percent)
Algeria	217.39	36.65	3.061
Angola	55.72	10.39	1.09
Benin	12.25	1.77	.294
Botswana	39.96	9.41	.814
Burkina Faso	11.31	2.29	.313
Burundi	20.89	4.23	.481
Cameroon	82.67	16.73	1.561
Cape Verde	5.85	1.17	.218
Central African Republic	8.52	.77	.199
Chad	17.88	1.93	.33
Comoros	3.26	.02	.159
Congo	30.47	6.17	.648
Djibouti	5.85	.94	.201
Egypt	279.51	50.83	5
Equatorial Guinea	5.47	.04	.174
Ethiopia	100.3	20.8	1.869
Gabon	58.18	11.74	1.131
Gambia, The	8.77	1.53	.261
Ghana	137.47	29.55	2.518
Guinea	28.73	6.2	.21
Guinea Bissau	8.56	.79	.618
Ivory Coast	137.21	28.33	2.514
Kenya	91.45	18.34	1.703
Lesotho	9.58	1.94	.283
Liberia	45.34	7.11	.766
Libya	284.81	35.79	3.592
Madagascar	40.85	8.26	.83
Malawi	22.67	4.59	.512
Mali	19.58	1.22	.335
Mauritania	14.49	1.45	.267
Mauritius	40.64	8.22	.826
Morocco	161.96	32.76	2.946
Mozambique	39.75	9	.81
Niger	31.4	6.36	.664
Nigeria	559.7	95.67	9.61
Rwanda	10.3	1.73	.271
Sao Tome & Principe	5.85	1.17	.218
Senegal	65.01	10.05	1.036
Seychelles	5.85	1.17	.218
Sierra Leone	25.21	6.06	.556
Somalia	22.67	2.62	.403
Sudan	104.37	6.85	1.083
Swaziland	20.89	4.23	.481
Tanzania	81.49	14.88	1.432
Togo	17.42	3.24	.401
Tunisia	87.93	14.95	1,552
Uganda	48.16	6.92	.816
Zaire	258.45	32.94	3.29
Zambia	139.21	33.47	2.548
Zimbabwe	145.99	29.52	2.667
Total Regionals	3,677.24	642.79	63.78

TABLE I-1.—*African Development Bank, status of subscriptions and voting power as of Sept. 30, 1985*—Continued

Participant	Subscription	Installments Paid	Voting Power (percent)
Argentina	21.14	1.05	.484
Austria	21.14	3.17	.485
Belgium	30.43	4.57	.647
Brazil	21.15	3.17	.485
Canada	177.98	26.7	3.226
China	52.97	2.65	1.041
Denmark	54.88	8.23	1.075
Finland	23.18	3.47	.521
France	177.98	26.7	3.226
Germany	195.4	29.31	3.535
India	10.59	1.05	.301
Italy	114.75	17.22	2.121
Japan	260.27	39.04	4.664
Korea, Republic of	21.14	3.17	.485
Kuwait	21.14	3.17	.485
Netherlands	36.15	5.42	.747
Norway	54.88	8.23	1.075
Portugal	10.68	1.07	.302
Saudi Arabia	13.77	1.38	.356
Spain	27.8	2.78	.602
Sweden	73.23	10.99	1.395
Switzerland	69.5	10.42	1.33
United Kingdom	79.71	11.96	1.509
United States	315.91	47.39	5,637
Yugoslavia	21.15	3.17	.485
Total Non Regional	1,906.92	275.48	36.22
Grand Total	5,584.16	918.27	100

Source: African Development Bank.

TABLE I–2.—*African Development Bank, loans approved Oct. 1, 1984 to Sept. 30, 1985*

[Millions of dollars]

Country	Project	Amount
Zambia	Maamba Collieries Rehabilitation	24.06
Zambia	Oil Seeds Development	8.01
Ghana	Line of credit	26.49
Botswana	Serowe-Orapa road	24.09
Guinea	Artisanal fisheries and Pisciculture Devel.	10.81
Madagascar	Antalaha Oil Palm Agro-Industrial Complex	4.93
Egypt	Line of credit	63.56
Tunisia	Line of credit	31.78
Congo	Ocean Railway (CFCO) (Supplementary)	2.33
Lesotho	New Maseru International Airport II	12.76
Tunisia	Line of credit	21.19
Sudan	Kosti-Umm Ruwaba road	17.65
Seychelles	Victoria Commercial Port	6.04
Swaziland	Cotton Yarn Manufacturing	5.30
Morocco	Settat Province Integrated Rural Develop.	44.10
Senegal	Line of credit	6.87
Zaire	Modernization and extension of SOTEXKI	7.73
Botswana	Secondary School and Vocational Training II	8.64
Lesotho	Maseru Water Supply Phase II	7.02
Zimbabwe	Rural Roads I	31.78
Zimbabwe	Line of credit	21.19
Cameroon	La Mape Dam	11.25
Egypt	Shoubra El-Kheima Unit Power IV	46.08
Tunisia	Mahdia Rural Development	20.98
Tunisia	Line of credit	19.07
Ivory Coast	Road Programme	59.54
Gabon	Rubber Plantation Programme Phase I	42.56
East African Development Bank	Line of credit IV	31.78
Total		617.59

Source: African Development Bank.

TABLE I-3.—*African Development Fund, status of subscriptions and voting power as of Sept. 30, 1985*

[Millions of dollars]

Participant	Subscriptions	Installments Paid	Voting Power (percent)
African Development Bank	78.6	56.45	50
Argentina	9.39	1.95	.04
Austria	45.13	22.77	.51
Belgium	37.08	37.08	.84
Brazil	45.13	26.83	.61
Canada	348.97	209.92	4.73
China	14.64	14.64	.33
Denmark	116.26	74.84	1.69
Finland	45.88	26.56	.6
France	253.38	143.61	3.24
Germany	203.93	203.93	4.6
India	26.98	19.29	.43
Italy	156.12	156.12	3.52
Japan	508.57	303.66	6.85
Korea, Republic of	33.01	25.78	.58
Kuwait	47.72	28.8	.65
Netherlands	56.75	56.75	1.28
Norway	138.13	86.32	1.95
Portugal	17.56	17.56	.4
Saudi Arabia	72.28	60.21	1.36
Spain	34.02	34.02	.77
Sweden	190.7	144.28	3.25
Switzerland	149.07	90.2	2.04
United Arab Emirates	8.78	8.78	.2
United Kingdom	137.72	107.95	2.43
United States	293.01	293.01	6.61
Yugoslavia	21.93	21.93	.49
Total	3,090 74	2,273.56	100

Source: African Development Bank.

TABLE I-4.—*African Development Fund, loans approved Oct. 1, 1984 to Sept. 30, 1985*

[Millions of dollars]

Country	Project	Amount
Zambia	Maamba Collieries Rehabilitation	1.61
Zambia	Oil Seeds Development	14.67
Cape Verde	Maio Port Construction	2.93
Lesotho	Roads Rehabilitation	6.83
Malawi	Mpira-Balaka Rural Water Supply	12.34
Zambia	Agricultural Rehabilitation	23.81
Benin	Abomey-Bohicon-Ketou-Ilara-Save-Okeowo Road Study	0.93
Cape Verde	Maio Cement Factory	21.41
Ghana	Subri Industrial Plantation	15.61
Sao Tome & Principe	Telecommunications	1.98
Djibouti	Geothermal Exploration Study	2.49
Comoros	Tatinga Hydro-Electric in Anjouan	5.37
Ethiopia	Dairy Rehabilitation and Development	21.63
Madagascar	Lower Betsiboka Plain Rice Rehabilitation Study	0.32
Madagascar	Urgent Infrastructure Repairs	1.10
Uganda	Uganda Cement Industry Rehabilitation Study	1.18
Guinea	Artisanal fisheries and Pisiciculture Develop.	15.12
Madagascar	Antalaha Oil Palm Agro-Industrial Complex	5.88
Niger	W.A.E.C. Mines and Geology School	11.97
Ghana	Line of Credit	14.64
Madagascar	Malaimbandy-Mahabo Road	16.39
Zaire	Osokari-Walikale Road Improvement	19.40
Equatorial Guinea	Cocoa Sector Development	2.90
Malawi	Rural Health Care II	10.73
Zimbabwe	Chinyika Resettlement II	10.44
Sierra Leone	Rhombes Swamp Irrigation Study	1.14
Kenya	Development Study for Second University	1.54
Equatorial Guinea	Improvement of Bata Airport & Fitting Out of Malabo Airport Study	0.14
Equatorial Guinea	Pre-investment and Design Studies in the Health Sector	1.10
Equatorial Guinea	Preliminary Studies for the Electrification of 10 Towns	0.57
Sudan	Kosti-Umm Ruwaba Road	20.49
Mauritania	Health Sector Study	1.30
Angola	Caita-Lucapa Road Study	0.98
Zaire	Line of Credit	13.95
Mali	Water Points in the Liptako-Gourma	11.95
Mali	Village Water Supply (WAEC Programme)	5.93
Senegal	Petite Côte Artisanal Fisheries Develop.	6.59
Cameroon	Yaounde-Kribi Road Study	1.74
Madagascar	Ambodromany-Porte Berge Road Rehabilitation Study	0.72
Somalia	Middle Juba Region Health Study	0.96
Mali	Basic Education Teachers Training	6.73
Mali	Selingue Energy Transmission Loop Study	0.94
Sao Tome & Principe	Technical Assistance to the Ministry of Planning, National Insurance Company & Electricity & Water Supply Co.	1.09
Kenya	Sheep and Goat Development	13.76
Ethiopia	Water Resources Development in Awash Basin Study	1.26
Ethiopia	Small-Scale Irrigation	16.62
Benin	Oueme Province Rural Development	8.61
Mali	Bamako-Bougouni Road	12.21
Guinea	Feasibility Study for Kolente Agro-industrial	0.60
Burundi	Line of Credit	6.34
Burundi	Rugombo-Kayanza Road	15.61
Uganda	Rehabilitation of Seed Farms, Food Crops and Oil Development Study	1.10
Uganda	Architectural Designs and Tender Documents for Three Unfinished Institutions	0.39
Uganda	Strengthening and Supporting the Ministry of Education and the Ministry of Labour	1.34
Uganda	Dairy Rehabilitation	13.67
Lesotho	Pig and Poultry Industries Development Study	0.41

TABLE I-4.—*African Development Fund, loans approved Oct. 1, 1984 to Sept. 30, 1985*—Continued

[Millions of dollars]

Country	Project	Amount
Lesotho	Oxbow Hydro-electric Power Study	1.22
Botswana	Secondary Schools and Vocational Training	6.83
Lesotho	Maseru Water Supply Phase II	7.81
Burkina Faso	Feasibility Study of 35 Hydro-agricultural Earth Dams	1.39
Ghana	Pulp and Paper Mill Study	1.13
Guinea	Health Sector Study	1.06
Burundi	Strengthening of Primary and Secondary Education	9.76
Rwanda	Line of Credit	4.88
Botswana	Detailed Engineering & Economic review of Nata Maun Road	1.46
Equatorial Guinea	Malabo & Bata Water Supply & Sewerage Systems Study	0.60
Equatorial Guinea	Malabo & Bata Water Supply and Drainage Rehabilitation	2.21
Central African Republic	Strengthening of Primary, Technical & Professional Education Study	0.88
Central African Republic	Strenthening of Primary Technical & Professional Education	6.73
Equatorial Guinea	Primary Education Rehabilitation	6.15
Somalia	Line of Credit	11.71
Somalia	Afgoi Mordile Irrigation	15.27
Ghana	Hospital Rehabilitation Study	1.83
Total		492.38

Source: African Development Bank.

TABLE I-5.—*African Development Bank, loan commitments and disbursements from inception through Sept. 30, 1985*

[Millions of dollars]

U.S. fiscal year	Number of loans	Commitments[1]	Disbursements
Total	411	3,478.3	1,263.0
1985	28	617.6	278.2
1984	35	563.1	159.2

[1] Net of cancellations.

Source: African Development Bank.

TABLE I-6.—*African Development Fund, loan commitments and disbursements from inception through Sept. 30, 1985*

[Millions of dollars]

U.S. fiscal year	Number of loans	Commitments[1]	Disbursements
Total	391	2,610.6	834.2
1985	73	492.4	185.4
1984	48	347.2	125.4
1983	29	238.5	97.2
1982	52	428.3	108.8
1981	26	250.0	114.7
1980	34	226.7	92.9
1979	31	207.6	45.7
1978	28	155.2	33.4
1977	25	128.0	20.3
1976 TQ	3	15.0	2.2
1976	22	92.5	8.8
1975	15	52.9	NA
1974	10	23.7	NA

[1] Net of cancellations.

Source: African Development Fund.

SECTION J.—Agency for International Development

TABLE J-1.—*Development assistance loans authorized during fiscal year 1985*

[Thousands of dollars]

Country/Project Title	Amount	Life (years)			Interest Rates (%)	
		Grace period	Amortization period	Total	Grace period	Amortization period
Africa Region						
Cameroon						
Educational & Human Resources	$ 3,000	10	30	40	2	3
National Cereals Research	3,605	10	30	40	2	3
Zaire						
Agricultural Marketing Development	406	10	30	40	2	3
Asia Region						
India						
Social Marketing & Communication	17,926	10	30	40	2	3
Social Marketing & Communication	74	10	30	40	2	3
Maharashtra Minor Irrigation	21,100	10	30	40	2	3
National Social Forestry	16,400	10	30	40	2	3
Biomedical Research Support	3,786	10	30	40	2	3
Biomedical Research Support	14	10	30	40	2	3
Indonesia						
Upland Agriculture & Conservation	2,710	10	30	40	2	3
General Participant Training II	41	10	30	40	2	3
General Participant Training II	1,959	10	30	40	2	3
National Energy Research Lab	500	10	30	40	2	3
Western University Agri Educ	2,369	10	30	40	2	3
Western University Agri Educ	4,075	10	30	40	2	3
Western University Agri Educ	56	10	30	40	2	3
Faculties of Public Health	500	10	30	40	2	3
Faculties of Public Health	4,500	10	30	40	2	3
Indonesia Rural Credit Diversification	2,000	2.5	4.5	7	10	VAR
Indonesia Small Scale Enterprise Credit	2,850	1.5	3.5	5	10	VAR
Small Scale Irrigation Management	15,115	10	30	40	2	3
Pakistan						
Agriculture Commodities & Equipment	37,800	10	30	40	2	3
Philippines:						
Tech Transfer for Energy Mgmt	1,200	10	30	40	2	3
Tech Transfer for Energy Mgmt	1,367	10	30	40	2	3
Philippine Small Business Credit	2,000	1.5	3.5	5	10	VAR
Rural Financial Services	16,127	10	30	40	2	3
Rural Financial Services	123	10	30	40	2	3
Sri Lanka						
Malaria Control	2,000	10	30	40	2	3
Mahaweli Basin II	11,706	10	30	40	2	3
Diversified Agricultural Research	1,540	10	30	40	2	3
Water Supply & Sanitation	4,100	10	30	40	2	3

TABLE J-1.—*Development assistance loans authorized during fiscal year 1985*—Continued

[Thousands of dollars]

Country/Project Title	Amount	Life (years)			Interest Rates (%)	
		Grace period	Amortization period	Total	Grace period	Amortization period
Thailand						
Science & Technology	$ 7,226	10	30	40	2	3
Science & Technology	2,270	10	30	40	2	3
Science & Technology	104	10	30	40	2	3
Science & Technology	500	10	30	40	2	3
Thailand Rural Credit Project	2,300	1.5	3.5	5	10	VAR
Latin America Region						
Bolivia						
Disaster Recovery	7,500	10	30	40	2	3
Chapare Regional Development	2,500	10	30	40	2	3
Disaster Recovery	1,500	10	30	40	2	3
Costa Rica						
Private Sector Investments	2,000	10	10	20	2	3
Private Sector Investments	3,200	10	10	20	2	3
Private Sector Investments	4,750	10	10	20	2	3
Private Investment Corporation	750	10	10	20	2	3
Dominican Republic						
Rural Roads Maintenance & Rehab II	2,150	10	15	25	2	3
Rural Education	1,036	10	15	25	2	3
Agricultural Business Promotion	4,220	10	15	25	2	3
Agricultural Rural Development & Nutrition	6,000	10	15	25	2	3
Agricultural Business Promotion	540	10	15	25	2	3
Ecuador						
Fiscal Administration Development	1,000	10	15	25	2	3
Malaria Control	2,500	10	15	25	2	3
Agricultural Sector Reorganization Program	1,400	10	15	25	2	3
Land Titling	2,100	10	15	25	2	3
El Salvador						
Agrarian Reform Credit	11,500	10	30	40	2	3
Health Systems Vitalization	2,525	10	30	40	2	3
Agrarian Reform Sector Support	6,000	10	30	40	2	3
Small Producer Development	1,000	10	30	40	2	3
Guatemala						
Community Based Health & Nutrition	4,500	10	15	25	2	3
Highlands Agricultural Development	5,000	10	15	25	2	3
Highlands Agricultural Development	3,000	10	15	25	2	3
Rural Primary Education Improvements	3,000	10	15	25	2	3
Rural Primary Education Improvements	5,700	10	15	25	2	3
Farm to Market Roads	9,000	10	15	25	2	3
Honduras						
Export Development & Services	3,500	10	30	40	2	3
Health Sector I	3,000	10	30	40	2	3
Health Sector I	1,687	10	30	40	2	3
Rural Primary Education	3,000	10	30	40	2	3
Rural Water & Sanitation	3,313	10	30	40	2	3
Rural Roads II	5,300	10	30	40	2	3
Jamaica:						
Board of Revenue Assistance	618	10	10	20	2	3
Basic Skill Training	350	10	10	20	2	3
Agricultural Education	1,150	10	10	20	2	3
Private Development Bank	2,240	10	10	20	2	3
Private Development Bank	260	10	10	20	2	3
Crop Diversification	500	10	15	25	2	5
Agricultural Rural Development & Nutrition	4,300	10	15	25	2	5

TABLE J-1.—*Development assistance loans authorized during fiscal year 1985*—Continued

[Thousands of dollars]

Country/Project Title	Amount	Life (years)			Interest Rates (%)	
		Grace period	Amortization period	Total	Grace period	Amortization period
Panama						
Agricultural Technology Dev	$ 1,100	10	10	20	2	3
Agriculture Rural Develop & Nutrition	1,640	10	10	20	2	3
Small Business Development	2,125	10	10	20	2	3
Small Business Development	650	10	10	20	2	3
Agricultural Cooperative Marketing	2,400	10	10	20	2	3
Peru						
Agricultural Policy Formulation	500	10	15	25	2	3
Disaster Relief	6,181	10	15	25	2	3
Caribbean Regional						
Caribbean Financial Service Corp	3,035	10	10	20	2	3
Caribbean Financial Service Corp	2,300	10	10	20	2	3
Antigua						
Antigua Shrimpery	100		4	5		VAR
ROCAP						
Central American Bank for Econ Integration						
Regional Economic Recovery	6,800	10	30	40	2	3
Regional Economic Recovery	4,970	10	30	40	2	3
Regional Economic Recovery	230	10	30	40	2	3
Latin American Region						
Agribusiness Investment Corp	2,500	1.5	3.5	5	12	VAR
Accion International Inc.	1,000	3	2.0	5	10	VAR
International Multi-Foods Corp	1,200		1	1		10.0
Near East Region						
Morocco						
Compagnie Marocaine						
Small and Medium Size Export	2,500	1.5	3.5	5	8.5	10.5
Societe Marocaine de Depot et Credit						
Moroccan Export Credit	2,000	0	3	3		10

Source: International Development Cooperation Agency.

TABLE J–2.—*Economic support loans authorized during fiscal year 1985*

[Thousands of dollars]

Country/project title	Amount	Life (years)			Interest Rates (%)	
		Grace period	Amortization period	Total	Grace period	Amortization period
Asia Region						
Pakistan:						
CIP-Energy Commodities & Equipment	$ 15,000	10	30	40	2	3
Agricultural Commodities & Equipment	21,200	10	30	40	2	3
Rural Electrification	9,000	10	30	40	2	3
Latin America Region						
Belize						
Cash Transfer	10,000	10	15	25	2	3
Cash Transfer	3,000	10	15	25	2	3
Guatemala						
Agricultural Business Development	9,500	10	15	25	2	3
Jamaica						
Production & Employment V	65,000	10	15	25	2	3
Near East Region						
Jordan						
Highland Agricultural Development	5,000	5	15	20	5	5
Morocco						
Drought Recovery Credit	13,500	10	30	40	2	3
Oman						
School Construction II	15,000	5	15	20	5	5
Turkey						
Cash Loan	85,000	5	15	20	5	5

Source: International Development Cooperation Agency.

SECTION K.—Department of Agriculture

TABLE K-1.—*Announced commercial credit lines—by country and commodity during fiscal year 1985*

[Millions of dollars]

Country	Commodity	GSM–102 Guarantees			Credit period (months)
		Announced	Registered	Balance	
Bangladesh	Wheat	60.00	42.10	17.90	36
Brazil	Wheat	500.00	272.50	227.50	36
Chile	Animal fats	2.00	0.00	2.00	36
	Cotton	0.40	0.00	0.40	36
	Hops	0.10	0.00	0.10	36
	Margarine	1.00	0.00	1.00	36
	Planting seeds	1.35	0.00	1.35	36
	Protein isolates	1.15	0.00	1.15	36
	Sugar	4.00	0.00	4.00	36
	Feed grains	0.00	0.00	0.00	....
	Milk fat substitute	0.00	0.00	0.00	....
	Wheat	100.00	59.50	40.50	36
	Sub-total	110.00	59.50	50.50	....
Colombia	Dry beans	5.40	1.60	3.80	36
	Feed grains	12.00	5.20	6.80	36
	Oilseeds	18.40	0.00	18.40	....
	Tallow/grease	0.00	0.00	0.00	....
	Veg. oils	2.20	0.00	2.20	
	Wheat	100.00	79.00	21.00	36
	Sub-total	138.00	85.80	52.20	....
Ecuador	Cotton	10.00	1.00	9.00	36
	Feed grains	8.00	2.50	5.50	36
	Hides/skins	1.00	0.00	1.00	....
	Lentils	0.50	0.20	0.30	36
	Livestock, breeding	2.00	1.04	0.96	36
	Milk fat substitute	1.00	0.04	0.96	36
	Oilseeds	0.00	0.00	0.00	....
	Planting seeds	1.00	0.50	0.50	36
	Tallow/grease	6.00	1.30	4.70	36
	Tobacco	2.00	0.00	2.00	....
	Veg. oils	35.00	30.60	4.40	36
	Wheat	52.00	32.60	19.40	36
	Wood products	1.00	0.00	1.00	....
	Sub-total	119.50	69.78	49.72	....
Egypt	Beef/beef offals	7.00	0.90	6.10	12
	Mullet	3.00	0.00	3.00	....
	Poultry/parts	9.00	1.10	7.90	36
	Corn	50.00	48.80	1.20	36
	Cotton	56.20	47.40	8.80	12
	Tallow	55.00	46.90	8.10	36
	Veg. oils	1.00	0.10	0.90	12
	Tobacco	75.00	73.50	1.50	36
	Wheat	80.00	77.60	2.40	36
	Sub-total	336.20	296.30	39.90	....

TABLE K-1.—*Announced commercial credit lines—by country and commodity during fiscal year 1985*—Continued

[Millions of dollars]

Country	Commodity	GSM–102 Guarantees			Credit period (months)
		Announced	Registered	Balance	
El Salvador	Livestock, breeding	2.40	2.37	0.03	36
	Milk fat substitute	1.50	1.00	0.50	36
	Poultry/breeding	1.00	0.80	0.20	36
	Protein meal	14.60	13.40	1.20	36
	Veg. oils	1.50	1.50	0.00	36
	Sub-total	21.00	19.07	1.93	....
Guatemala	Corn gluten meal	2.50	1.20	1.30	36
	Milk fat substitute	0.00	0.00	0.00	....
	Oilseeds	6.00	2.90	3.10	36
	Planting seeds	0.50	0.44	0.06	36
	Poultry, breeding	1.10	0.80	0.30	36
	Protein meal	10.30	8.70	1.60	36
	Tallow/grease	5.00	5.00	0.00	36
	Veg. oils	1.50	0.70	0.80	36
	Wheat	18.10	16.10	2.00	36
	Sub-total	45.00	35.84	9.16	....
Haiti	Lumber	1.00	0.98	0.02	12
	Planting seeds	0.15	0.15	0.00	12
	Wheat	7.50	7.50	0.00	12
	Sub-total	8.65	8.63	0.02	....
Honduras	Beans, dry	1.00	0.00	1.00	....
	Cotton	2.00	0.00	2.00	....
	Livestock, breeding	4.00	0.71	3.29	36
	Planting seeds	2.00	0.10	1.90	12
	Protein meal	4.50	2.50	2.00	36
	Tallow	2.00	1.50	0.50	36
	Sub-total	15.50	4.81	10.69	....
Hungary	Cotton	5.00	0.00	5.00	....
	Livestock, breeding	1.00	0.80	0.20	36
	Protein isolates	1.00	1.00	0.00	36
	Protein meal	24.00	20.00	4.00	36
	Sub-total	31.00	21.80	9.20	....
Iraq	Beef/poultry parts	9.00	0.00	9.00	....
	Corn	45.00	5.20	39.80	36
	Feed grains	60.00	0.00	60.00	....
	Fruits/veg. canned	3.00	0.00	3.00	....
	Lentils	11.00	2.80	8.20	36
	Livestock, breeding	15.00	0.90	14.10	36
	Meats, canned	2.00	0.00	2.00	....
	Oilseeds	7.50	0.00	7.50	....
	Planting seeds	12.00	11.40	0.60	36
	Potatoes	3.00	0.00	3.00	....
	Protein meal	107.50	16.50	91.00	36
	Rice	180.00	178.80	1.20	36
	Sugar	20.00	14.70	5.30	36
	Tallow/grease	15.00	4.40	10.60	36
	Tobacco	25.00	13.70	11.30	36
	Veg. oils	5.00	3.20	1.80	36
	Wheat	160.00	88.50	71.50	36
	Sub-total	680.00	340.10	339.90	....

TABLE K-1.—*Announced commercial credit lines—by country and commodity during fiscal year 1985*—Continued

[Millions of dollars]

Country	Commodity	GSM–102 Guarantees			Credit period (months)
		Announced	Registered	Balance	
Jamaica	Cotton	1.00	0.00	1.00	....
	Feed grains	9.00	3.60	5.40	36
	Grape concentrate	0.15	0.02	0.13	36
	Hops extract	0.40	0.20	0.20	36
	Malt	1.45	1.40	0.05	36
	Planting seeds	1.00	0.10	0.90	36
	Rice	11.00	5.60	5.40	36
	Soybean	15.50	10.40	5.10	36
	Tallow/grease	3.00	3.00	0.00	36
	Tobacco	0.50	0.50	0.00	36
	Veg. oils	6.00	2.40	3.60	36
	Wood products	8.50	4.90	3.60	36
	Wheat	4.50	4.20	0.30	36
	Sub-total	62.00	36.32	25.68	....
Jordon	Corn	6.00	2.80	3.20	36
	Protein meal	2.00	0.00	2.00	....
	Wheat	27.00	19.90	7.10	36
	Sub-total	35.00	22.70	12.30	....
Korea, Republic of	Cotton	270.00	268.70	1.30	18
	Feed Grains	60.00	32.50	27.50	18
	Protein Meal	25.00	25.00	0.00	18
	Tallow/grease	17.00	13.50	3.50	18
	Wheat	110.00	108.90	1.10	12
	Sub-total	482.00	448.60	33.40	....
Mexico	Dry beans	20.00	10.80	9.20	36
	Livestock, breeding	15.00	0.00	15.00	....
	Tallow/grease	30.00	0.00	30.00	....
	Veg. oils	15.00	3.40	11.60	36
	Feed grains	433.00	183.10	249.90	36
	Oilseeds	187.00	44.20	142.80	36
	Sub-total	700.00	241.50	458.50	....
Pakistan	Poultry breeding	0.25	0.02	0.23	12
	Soybean meal	1.75	0.61	1.14	12
	Veg. oils	58.50	58.50	0.00	36
	Wheat	41.50	40.10	1.40	36
	Sub-total	102.00	99.23	2.77	....
Philippines	Feed grains	20.00	0.00	20.00	....
	Protein meal	45.00	4.10	40.90	36
	Wheat	120.00	43.20	76.80	36
	Sub-total	185.00	47.30	137.70	....
Portugal	Cotton	5.00	0.00	5.00	....
	Feed grains	300.00	182.40	117.60	36
	Rice	15.00	8.60	6.40	36
	Tallow/grease	10.00	1.50	8.50	36
	Wheat	117.00	97.00	20.00	36
	Sub-total	447.00	289.50	157.50	....
Thailand	Cotton	20.000	0.80	19.20	36
	Protein meal	10.00	8.00	2.0	36
	Sub-total	30.00	8.80	21.20	....

TABLE K-1.—*Announced commercial credit lines—by country and commodity during fiscal year 1985*—Continued

[Millions of dollars]

Country	Commodity	GSM–102 Guarantees			Credit period (months)
		Announced	Registered	Balance	
Turkey	Feed grains	70.00	0.40	69.60	36
	Planting seeds	15.00	7.40	7.60	36
	Protein meal	17.00	0.00	17.00	....
	Wheat	81.00	10.10	70.90	36
	Sub-total	183.00	17.90	165.10	....
Yemen Arab Rep.	Wheat/wheat flour	20.00	0.00	20.00	....
Yugoslavia	Cotton	70.00	30.20	39.80	36
	Hides & skins	50.00	10.20	39.80	36
	Oilseeds	25.00	0.00	25.00	....
	Protein meal	25.00	0.00	25.00	....
	Sub-total	170.00	40.40	129.60	....
	Grand Total	4,480.85	2,508.48	1,972.37	....

Source: Agriculture Department.

TABLE K-2.—*Public Law 480 Convertible Local Currency Credit Sales and Title III Agreements and Amendments to Agreements Signed Oct. 1, 1984 to Sept. 30, 1985*

[Millions of dollars]

Date	Country	Commodity	Market value			Credit period[1]		
			CLCC	DC	Title III[2]	Total years	Years before first payment is due	Interest rate[3] (percent)
09/28/84	Sri Lanka	Wheat	26.00	.....	.....	40	10	3.00
10/03/84	Bangladesh	Rice, cotton, wheat, vegetable oil	.....	.....	75.00	40	10	3.00
10/30/84	Dominican Republic	Edible vegetable oil	2.50	.....	.....	20	6	4.00
11/01/84	El Salvador	Wheat/wheat flour, edible vegetable oil	32.00	.....	.....	40	10	3.00
11/19/84	Costa Rica	Corn/sorghum, wheat/wheat flour	21.40	.....	.....	20	6	4.00
12/12/84	Madagascar	Rice	11.00	.....	.....	20	8	4.00
12/16/84	Egypt	Wheat/wheat flour	225.00	.....	.....	40	10	3.00
12/17/84	Jamaica	Wheat/wheat flour, feed grains, edible vegetable oil, rice	35.00	.....	.....	20	6	4.00
12/20/84	Bangladesh	Wheat	.....	.....	17.00	40	10	3.00
12/22/84	Zaire	Wheat, wheat flour, corn/sorghum, cotton	15.00	.....	.....	40	10	3.00
12/27/84	Sudan	Wheat, wheat flour	25.00	.....	.....	40	10	3.00
01/11/85	Mozambique	Wheat, corn/sorghum, rice	10.00	.....	.....	40	10	3.00
01/29/85	El Salvador	Tallow	12.00	.....	.....	40	10	3.00
02/04/85	Bolivia	Wheat/wheat flour	10.00	.....	.....	40	10	3.00
02/13/85	Indonesia	Wheat	40.00	.....	.....	30	5	3.00
02/19/85	Morocco	Rice	5.00	.....	.....	24	5	4.00
02/19/85	Morocco	Wheat	10.00	.....	.....	30	5	3.00
03/11/85	Honduras	Wheat/wheat flour	10.00	.....	.....	40	10	3.00
03/24/85	Somalia	Corn, wheat, wheat flour, rice, edible vegetable oil	20.00	.....	.....	40	10	3.00
04/01/85	Zimbabwe	Wheat	8.00	.....	.....	30	5	3.00
04/15/85	Yemen Arab Republic	Wheat, rice	10.00	.....	.....	30	5	3.00
04/17/85	Peru	Wheat/wheat flour, edible vegetable oil	25.00	.....	.....	25	5	4.00
04/26/85	Morocco	Wheat	30.00	.....	.....	30	5	3.00
04/28/85	Pakistan	Vegetable oil	50.00	.....	.....	40	10	3.00
05/09/85	Sierra Leone	Wheat, rice	4.00	.....	.....	40	10	3.00
05/12/85	Sudan	Wheat, wheat flour	25.00	.....	.....	40	10	3.00
05/15/85	Dominican Republic	Wheat, edible vegetable oil	33.00	.....	.....	20	6	4.00
05/17/85	Ecuador	Wheat/wheat flour	.....	15.00	.....	20	2	4.00
05/22/85	Mozambique	Rice	7.00	.....	.....	40	10	3.00
05/30/85	Haiti	Wheat/wheat flour, edible vegetable oil	.....	.....	15.00	40	10	3.00
06/06/85	Guatemala	Wheat/wheat flour, tallow	16.00	.....	.....	20	6	4.00
06/14/85	Guinea	Rice	6.00	.....	.....	30	5	3.00
06/21/85	Honduras	Wheat/wheat flour	2.50	.....	.....	40	10	3.00
06/21/85	Honduras	Wheat/wheat flour	.....	.....	2.50	20	2	3.00
07/03/85	Tunisia	Corn/sorghum	5.00	.....	.....	20	4	4.00
07/08/85	Philippines	Rice	40.00	.....	.....	30	5	3.00
07/09/85	Zambia	Wheat, vegetable oil	10.00	.....	.....	40	10	3.00

07/13/85	Maldives	Wheat, vegetable oil	1.50	.....	.....	40	10	3.00
07/16/85	Kenya	Wheat	10.00	.....	.....	40	10	3.00
07/22/85	Liberia	Rice	6.00	.....	.....	40	10	3.00
07/24/85	Morocco	Wheat	10.00	.....	.....	30	5	3.00
07/30/85	Yemen Arab Republic	Wheat	2.00	.....	.....	30	5	3.00
07/31/85	Ghana	Rice, cotton	9.00	.....	.....	40	10	3.00
07/31/85	Jamaica	Wheat/wheat flour, edible vegetable oil, rice	5.00	.....	.....	20	6	4.00
08/08/85	El Salvador	Edible vegetable oil, tallow	5.00	.....	.....	40	10	3.00
08/09/85	Guatemala	Edible vegetable oil	5.00	.....	.....	20	6	4.00
08/12/85	Pakistan	Vegetable oil	5.00	.....	.....	40	10	3.00
08/19/85	Dominican Republic	Edible vegetable oil	5.00	.....	.....	20	6	4.00
08/19/85	Zaire	Wheat, cotton	5.00	.....	.....	40	10	3.00
08/20/85	Bolivia	Wheat/wheat flour	10.00	.....	.....	40	10	3.00
08/22/85	Pakistan	Vegetable oil	4.00	.....	.....	40	10	3.00
08/24/85	Sudan	Wheat	14.50	.....	.....	40	10	3.00
08/31/85	Bangladesh	Wheat	.....	.....	2.50	40	10	3.00

[1] Payments made in approximately equal annual installments.

[2] Title III Provision provides for up to 100 percent currency use offset.

[3] Interest rate after first payment of principal due. The rate prior to this is usually 2 percent.

Source: Department of Agriculture.

SECTION L.—Export-Import Bank of the United States

TABLE L–1.—*Authorization Distribution Analysis by Geographical Area in fiscal year 1985*

[Thousands of dollars]

Area	Items	Percent	Export value	Percent	Authorized	Percent
			Direct Loans			
Africa/Mideast	2	15.38	27,160	5.90	20,370	6.36
Asia	5	38.46	118,891	25.82	87,800	27.42
Europe/Canada	1	7.69	20,000	4.34	17,000	5.31
Latin America	5	38.46	294,360	63.93	195,066	60.91
Miscellaneous	0	0.00	000	0.00	000	0.00
Not Used	0	0.00	000	0.00	000	0.00
Unshipped	0	0.00	000	0.00	000	0.00
Grand Total	13	100.00	460,411	100.00	320,236	100.00
			Financial and other Guarantees			
Africa/Mideast	6	25.00	176,772	17.91	152,914	19.62
Asia	1	4.17	297,779	30.18	134,000	17.20
Europe/Canada	2	8.33	83,215	8.43	70,733	9.08
Latin America	15	62.50	429,029	43.48	421,640	54.11
Miscellaneous	0	0.00	000	0.00	000	0.00
Not Used	0	0.00	000	0.00	000	0.00
Unshipped	0	0.00	000	0.00	000	0.00
Grand Total	24	100.00	986,794	100.00	779,287	100.00
			Bank, Preshipment and Contractor Guarantees			
Africa/Mideast	50	29.07	234,213	35.69	198,133	36.64
Asia	7	4.07	54,867	8.36	46,790	8.65
Europe/Canada	11	6.40	25,841	3.94	21,884	4.05
Latin America	72	41.86	290,880	44.33	247,232	45.72
Miscellaneous	32	18.60	50,417	7.68	26,731	4.94
Not Used	0	0.00	000	0.00	000	0.00
Unshipped	0	0.00	000	0.00	000	0.00
Grand Total	172	100.00	656,217	100.00	540,770	100.00
			Medium-term Insurance Policies			
Africa/Mideast	16	21.62	43,769	19.18	38,824	18.85
Asia	1	1.35	393	0.17	295	0.14
Europe/Canada	7	9.46	14,063	6.16	12,017	5.83
Latin America	50	67.57	169,962	74.48	154,853	75.18
Miscellaneous	0	0.00	000	0.00	000	0.00
Not Used	0	0.00	000	0.00	000	0.00
Unshipped	0	0.00	000	0.00	000	0.00
Grand Total	74	100.00	228,187	100.00	205,989	100.00
			Short-term Insurance[1]			
Africa/Mideast	0	0.00	716,458	10.49	716,458	11.33
Asia	0	0.00	823,549	12.05	823,549	13.02
Europe/Canada	0	0.00	1,346,040	19.70	1,346,040	21.29
Latin America	0	0.00	1,143,839	16.74	1,143,839	18.09
Miscellaneous	0	0.00	000	0.00	000	0.00
Not Used	0	0.00	000	0.00	000	0.00
Unshipped	919	100.00	2,802,958	41.02	2,293,673	36.27
Grand Total	919	100.00	6,832,845	100.00	6,323,560	100.00

See footnotes at the end of the table.

TABLE L–1.—*Authorization Distribution Analysis by Geographical Area in fiscal year 1985*—Continued

[Thousands of dollars]

Area	Items	Percent	Export value	Percent	Authorized	Percent
		All Programs[2]				
Africa/Mideast	74	5.14	481,914	9.15	410,242	9.16
Asia	14	0.97	471,930	8.96	268,885	6.00
Europe/Canada	21	1.46	143,119	2.72	121,634	2.72
Latin America	142	9.85	1,184,230	22.48	1,018,791	22.75
Miscellaneous	1,190	82.58	2,987,200	56.70	2,659,585	59.38
Not Used	0	0.00	000	0.00	000	0.00
Unshipped	0	0.00	000	0.00	000	0.00
Grand Total	1,441	100.00	5,268,392	100.00	4,479,136	100.00

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[1] Individual area totals indicate shipments only. Item counts are not available on an area or country basis.

[2] Miscellaneous total includes M/T and small business credits. S/T insurance shipments are not included in the grand total.

Source: Export-Import Bank of the United States.

TABLE L–2.—*Authorizations by country from Oct. 1, 1984 through Sept. 30, 1985*

[Thousands of dollars]

	Loans	Guarantees	Medium-term insurance	Total	Exposure 9/30/85
Algeria	...	16,874,000	...	16,874,000	686,227,503
Angola	...	2,640,000	...	2,640,000	214,061,650
Antigua	...	...	...	...	828,733
Argentina	...	...	...	...	733,483,665
Australia	...	17,619	...	17,619	355,639,710
Austria	...	...	...	...	65,232,355
Azores	...	...	...	...	41
Bahamas	...	492,915	...	492,915	7,063,256
Bahrain	...	...	...	...	684,809
Barbados	...	...	...	...	9,005,155
Belgium	...	...	...	...	65,295,364
Belize	...	...	...	...	188,120
Bermuda	...	...	...	...	1,283,948
Bolivia	...	...	...	...	29,977,360
Brazil	37,400,000	270,125,100	35,964,857	343,489,957	2,028,255,991
Brunei	...	...	...	...	592,025
Burkina Faso	...	...	2,975,000	2,975,000	3,082,860
Burma	...	...	...	...	2,550,000
Burundi	...	...	...	...	53,577
Cameroon	...	...	...	...	60,522,617
Canada	...	41,093	657,313	698,406	848,244,913
Canary Islands	...	...	...	...	56,064
Cayman Islands	...	...	...	...	7,394,111
Central African Republic	...	...	...	...	3,422,142
Chile	1,275,000	23,318,480	7,859,375	32,452,855	131,884,451
China	...	...	...	...	77,387,203
China (Taiwan)	...	...	...	...	1,427,747,760
Colombia	130,000,000	237,585,117	3,453,210	371,038,327	1,171,444,752
Congo	12,075,000	4,621,959	...	16,696,959	65,097,380
Costa Rica	...	...	...	...	26,711,322
Cuba	...	...	...	...	36,266,581
Cyprus	...	...	...	...	3,835,684
Denmark	...	...	...	...	37,913,267
Djibouti	...	...	...	...	131,630
Dominica	...	...	...	...	81,150
Dominican Republic	...	...	145,047	145,047	132,473,880
Ecuador	...	5,625,000	...	5,625,000	75,446,794
Egypt	...	44,985,937	3,428,020	48,413,957	332,980,735
El Salvador	...	5,682,727	...	5,682,727	20,096,532
Ethiopia	...	...	...	...	77,720,893
Fiji Islands	...	...	...	...	3,331,552
Finland	...	...	...	...	73,590,704
France	...	...	...	...	201,399,472
Gabon	435,000	2,093,280	...	2,528,280	27,893,344
Germany, Federal Republic of	...	...	...	...	29,897,201
Ghana	...	...	...	...	4,027,632
Greece	...	...	...	...	68,940,684
Greenland	...	...	...	...	23,768
Grenada	...	...	...	...	74,500
Guatemala	...	3,877,454	11,422,414	15,299,868	25,947,305
Guiana-French	...	...	...	...	213,658
Guinea	...	...	...	...	8,724,531
Guyana	...	...	...	...	4,507,250

TABLE L-2.—*Authorizations by country from Oct. 1, 1984 through Sept. 30, 1985*—Continued

[Thousands of dollars]

	Loans	Guarantees	Medium-term insurance	Total	Exposure 9/30/85
Haiti					11,722,179
Honduras					15,885,137
Hong Kong					62,723,920
Hungary	17,000,000		53,040	17,053,040	23,183,722
Iceland					8,208,237
India	74,100			74,100	158,710,149
Indonesia	23,562,500	8,820,000		32,382,500	786,388,903
Iraq					5,411,588
Ireland					91,433,240
Israel		21,280,291	9,941,818	31,222,109	1,016,046,681
Italy		127,500		127,500	355,794,181
Ivory Coast					97,660,431
Jamaica			998,263	998,263	85,569,012
Japan	12,595,307	134,000,000		146,595,307	665,839,377
Jordan			220,938	220,938	258,844,092
Kenya					6,333,882
Kiribati					7,781
Korea, Republic of	35,750,000	5,100,000		40,850,000	2,979,055,519
Kuwait			3,862,822	3,862,822	16,578,606
Latin American Multinational Financial Inst					13,259,035
Lebanon					207,736
Lesotho					1,700,000
Liberia					8,207,812
Liechtenstein					2,221,592
Luxembourg					337,812
Macao					391,804
Madeira Islands					102
Madagascar					30,594,413
Malawi			87,468	87,468	2,000,049
Malaysia					69,313,145
Mali					30,242
Malta					689,702
Mauritania					4,741,686
Mexico	10,140,500	112,779,675	82,998,790	205,918,064	2,476,945,889
Monaco					4,543
Montserrat					15,871
Morocco		2,707,500	264,593	2,972,093	131,652,719
Mozambique					19,094,678
Nepal					3,000
Netherlands					25,140,511
Netherlands Antilles		6,899,721		6,899,721	38,267,921
New Caledonia					8,549
New Zealand		1,152,537		1,152,537	38,420,180
Nicaragua					18,284,204
Niger					5,317,941
Nigeria		137,700,000		137,700,000	625,732,173
Norway					125,676,344
Oman					964,045
Pacific Islands-French					212
Pakistan					112,147,907
Panama		382,500	395,005	777,505	24,892,105
Papua New Guinea					5,103
Paraguay		1,465,740	2,550,000	4,015,740	6,200,723

TABLE L–2.—*Authorizations by country from Oct. 1, 1984 through Sept. 30, 1985*—Continued

[Thousands of dollars]

	Loans	Guarantees	Medium-term insurance	Total	Exposure 9/30/85
Peru					179,560,817
Philippines		30,000,000		30,000,000	1,358,109,215
Poland					241,809,418
Portugal					176,541,311
Qatar					10,450,251
Reunion					6,646
Romania					121,782,502
Saudi Arabia			11,681,085	11,681,085	86,730,454
Senegal		1,127,913		1,127,913	5,248,663
Seychelles					109
Sierra Leone					23,286,604
Singapore	15,817,970			15,817,970	214,714,705
Solomon Islands					111
South Africa					18,051,510
Spain		997,050		997,050	1,065,426,507
Sri Lanka		1,700,000		1,700,000	48,177,801
St Kitts-Nevis					893,850
St Lucia					195,168
St Vincent					206,959
Sudan					28,246,331
Surinam			8,500,000	8,500,000	8,893,910
Sweden					49,603,510
Switzerland					9,097,646
Syria					27,453
Tahiti					467,972
Tanzania					13,723,639
Thailand			294,746	294,746	111,508,570
Togo					2,401,751
Tr. Terr. Pac. Is. (U.S.)					72,039
Trinidad and Tobago	16,250,000		294,691	16,544,691	277,144,857
Tunisia	7,860,270	18,877,636		26,737,906	102,002,312
Turkey		98,138,635	5,257,675	103,396,310	754,933,282
Uganda					1,428,657
Union of Soviet Socialist Republics					302,712,284
United Arab Emirates					7,488,753
United Kingdom		135,801	206,909	342,709	580,723,999
United States		26,730,835		26,730,835	40,229,180
Uruguay		637,500		637,500	19,512,840
Vanuatu					1,422
Venezuela			271,541	271,541	227,253,215
Virgin Islands—British					249,501
West Indies—British					1,314,317
West Indies—French					337,066
Western Samoa					47,509
Yemen Arab Republic			1,105,000	1,105,000	1,105,000
Yugoslavia		91,315,558	11,099,300	102,414,858	954,949,936
Zaire					694,895,957
Zambia					77,848,004
Zimbabwe					35,254,394
Private Export Funding Corp					85,387,948
Total all countries	320,235,647	1,320,057,070	205,988,920	1,846,281,637	27,556,859,817

Source: Export-Import Bank of the United States.

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International Finance

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